



**REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS JULY 21, 2015 1:30 P.M.**

CONSENT AGENDA

- * Approval of minutes – July 14, 2015
- * Confirmation of committee appointments

Karl Duerr would be reappointed to the Police Department Community Advisory Committee. The current term would expire July 11, 2017. (Mayor Pro Tem Mike Getz)

Douglas Rathgeber would be reappointed to the Police Department Community Advisory Committee. The current term would expire July 11, 2017. (Mayor Pro Tem Mike Getz)

Raymond Ambres would be reappointed to the Community Development Advisory Committee. The current term would expire December 18, 2016. (Mayor Becky Ames)

- A) Approve the renewal of an annual maintenance agreement with SirsiDynix related to software used in Library System
- B) Approve the assignment of a contract for concession services from Treat America Food Services to WOW Food Concept
- C) Authorize the granting of two Pipeline Agreements with Enterprise Beaumont Marine West, LP

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF BEAUMONT:

THAT the following reappointments be made:

<u>Reappointment</u>	<u>Commission</u>	<u>Beginning of Term</u>	<u>Expiration of Term</u>
Karl Duerr	Police Department Community Advisory Committee	07/21/2015	07/11/2017
Douglas Rathgeber	Police Department Community Advisory Committee	07/21/2015	07/11/2017
Raymond Ambres	Community Development Advisory Committee	07/21/2015	12/18/2016

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of
July, 2015.

- Mayor Becky Ames -

BEAUMONT

— T E X A S —

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Bart Bartkowiak, Chief Technology Officer **BB**

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution for the renewal of an annual maintenance agreement from SirsiDynix in the amount of \$56,400.05 for use by the Libraries.

BACKGROUND

SirsiDynix software is used by the Libraries for maintaining records for circulation, cataloging, patron portal access, the self-check at Miller Library, and other internal processing. This purchase is exempt from competitive bidding since it is available from only one (1) source having exclusive rights to modify and maintain the software. The software maintenance agreement provides twenty-four/seven unlimited telephone support and offsite hosting.

This agreement is for an annual period beginning September 2015.

FUNDING SOURCE

General Fund – Information Technology.

RECOMMENDATION

Approval of resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to execute the renewal of an annual Maintenance Agreement with SirsiDynix, in the amount of \$56,400.05, for software support for all of the City's library branches.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

BEAUMONT

TEXAS

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer 

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution approving the assignment of a contract for concession services from Treat America Food Services to WOW Food Concepts.

BACKGROUND

On August 7, 2012, with Resolution 12-164, Council awarded the concession management contract for the Civic Center and various other locations to Treat America Food Services. Treat America is requesting the assignment of this contract to WOW Food Concepts of Beaumont, Texas. WOW Food Concepts assumes and agrees to fulfill all obligations, responsibilities, terms and conditions under the current contract between the City and Treat America.

FUNDING SOURCE

None.

RECOMMENDATION

Approval of resolution.

RESOLUTION NO.

WHEREAS, on August 7, 2012, City Council of the City of Beaumont, Texas approved Resolution No. 12-164 accepting the bid submitted by Treat America Food Service, of Merriam, Kansas, for a three (3) year contract, with an option to renew for an additional three (3) years, for concession management services at the Civic Center, Julie Rogers Theater, Jefferson Theater, Riverfront Park and the Event Centre; and,

WHEREAS, Treat America Food Service has requested the assignment of the contract to WOW Food Concepts, LLC, of Beaumont, Texas; and,

WHEREAS, WOW Food Concepts, LLC will assume and fulfill all obligations, responsibilities, terms and conditions under the contract between the City of Beaumont and Treat America Food Service; and,

WHEREAS, Treat America Food Service will be released from its obligation to the City and the City will be released of its obligations to Treat America Food Service, except for amount of outstanding balance owed, upon execution of the Assignment and Assumption Agreement; and,

WHEREAS, City Council is of the opinion that the contract with Treat America Food Service should be assigned to WOW Food Concepts, LLC, as shown on Exhibit "1," attached hereto;

NOW, THEREFORE, BE IT RESOLVED BY THE

CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and;

THAT the City Manager be and he is hereby authorized to execute an Assignment and Assumption Agreement with WOW Food Concepts, LLC, of Beaumont, Texas, and Treat America Food Service, of Merriam, Kansas, for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), dated July ____, 2015, is by and between Treat America Food Service ("Treat"), WOW Food concepts, LLC, 3815 IH-10 South, Beaumont, TX 77705 ("Assignee"), and the City of Beaumont, a municipal corporation of the State of Texas ("Beaumont").

RECITALS:

A. Treat and Beaumont are parties to that certain Contract, dated August 20, 2012 (the "Contract"), pursuant to which Treat agreed to provide certain concession management services contemplated by RFP No. PF0512-04.

B. Treat, Assignee and Beaumont have agreed to enter into this Agreement to provide for Treat's assignment to Assignee of all of Treat's right, title and interest in and to the Contract, and Assignee's assumption and performance of all Treat's obligations, duties and responsibilities under the Contract arising after the Effective Date (as herein defined).

C. This Agreement will become effective upon approval by Beaumont ("Effective Date").

AGREEMENT:

In consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment and Assumption:

(a) Treat hereby assigns, grants, conveys, transfers and delivers to Assignee and its successors and assigns, all of Treat's right, title, benefit, privilege and interest in, to and under the Contract (other than for amounts due and owing by Beaumont to Treat under the Contract as of the date hereof), and Assignee hereby accepts such assignment, grant, conveyance, transfer and delivery.

(b) Treat hereby sells, assigns, grants, conveys, transfers and delivers to Assignee and its successors and assigns, all of Treat's right, title and interest in and to all personal property owned by Treat and located at the locations described in the Contract, including without limitation all smallwares, pots, pans, dishes, glasses, utensils, etc., but excluding that certain lift truck and Southern Pride Smoker owned by Treat.

(c) Treat hereby assigns, transfers and delivers to Assignee and its successors and assigns, all security deposits held by Treat as security for concession management services pertaining to events to be held after the Effective Date.



(d) Assignee hereby assumes, and agrees to fulfill, perform and discharge, all obligations, duties and responsibilities of Treat to be performed under the Contract after the Effective Date in accordance with its terms. Assignee hereby is made a party to the Contract in replacement of, and substitution for, Treat, and Assignee hereby agrees to be bound by the terms and conditions thereof.

(e) Assignee agrees to purchase from Treat those portions of the food and beverage inventory owned by Treat which remain at the locations described in the Contract and which are deemed by Assignee to be usable in Assignee's sole discretion. In connection therewith, Assignee agrees to pay the fair value for such usable inventory as mutually agreed upon between Treat and Assignee.

(f) Treat hereby is relieved of and released from any further obligations, duties and responsibilities to be performed under the Contract after the Effective Date.

(g) Treat shall be and remain liable and responsible for and shall make timely payment of all sums owed to vendors, suppliers, Beaumont and others directly or indirectly incurred or owed by Treat in connection with its performance of the Contract prior to the Effective Date. In connection therewith, Treat agrees to indemnify, hold harmless and defend Assignee and Beaumont from and against any and all claims arising from Treat's operations under the Contract prior to the Effective Date.

(h) The term of the Contract is from September 1, 2012 through August 31, 2015, with Beaumont having the option to extend the contract an additional three (3) years. Assignee and Beaumont agree the contract shall end on January 31, 2016. Otherwise, the terms of the Contract are not altered or amended by this Assignment and Assumption Agreement except as otherwise expressly noted herein.

2. Consent and Certification of Beaumont.

(a) Beaumont hereby consents to the assignment, assumption and other matters set forth in Section 1 above, and hereby agrees that (i) Assignee shall be entitled, in the place and stead of Treat, to exercise any and all rights of Treat under the Contract in accordance with its terms, (ii) Beaumont shall accept performance by Assignee under the Contract, and (iii) Beaumont will look solely to Assignee for the fulfillment, performance and discharge of all obligations, duties and responsibilities which Treat had originally agreed to fulfill, perform and discharge under the Contract from and after the Effective Date.

(b) Beaumont hereby certifies as follows with respect to the Contract: (i) a true, correct and complete copy of the Contract as currently in effect is attached hereto; (ii) the Contract is in full force and effect, has not been modified or amended, and remains subject to Beaumont's General Conditions of Bidding, and (iii) to the knowledge

of Beaumont, Treat is not in default in the observance or performance of any covenant or condition to be observed or performed by Treat under the Contract.

3. Miscellaneous.

(a) Authority. Each of Treat, Assignee and Beaumont, and the individuals executing this Agreement on behalf of each such party, represents and warrants to the other parties that (i) such party has the right and power to enter into this Agreement, (ii) such party

has taken all necessary action to duly authorize the execution and delivery of this Agreement, and (iii) such party has duly executed and delivered this Agreement.

(b) Binding Effect. This Agreement shall be binding upon and inure to the benefit of Treat, Assignee and Beaumont and their respective successors and permitted assigns.

(c) Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Texas without giving effect to the principles of conflicts of law thereof.

(d) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signed counterparts of this Agreement may be delivered by facsimile and by scanned .pdf image. If so delivered by facsimile or scanned .pdf image, at the request of any party hereto, the other parties shall re-execute an original form hereof and deliver it to the requesting party.

IN WITNESS WHEREOF, Treat, Assignee and Beaumont have caused this Agreement to be duly executed by their respective officers thereunto duly authorized, all as of the date first above written.

TREAT AMERICA FOOD SERVICES

By: _____
Name:
Title:

WOW FOOD CONCEPTS, LLC

By: _____
Name:
Title:

CITY OF BEAUMONT

By: _____
Name:
Title:

BEAUMONT
— T E X A S —

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Dr. Joseph Majdalani, P.E., Public Works Director

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution authorizing the granting of two (2) Pipeline Agreements within the City of Beaumont.

BACKGROUND

Enterprise Beaumont Marine West, LP has requested permission to install two (2) pipelines. The first pipeline will be a 6,631 feet steel pipeline carrying gasoline within the city limits of Beaumont North of SH347. The pipeline is continuous consisting of a 20” and 12” pipe.

The second pipeline will be a 6,875 feet steel pipeline carrying ultra-low sulphur diesel within the city limits of Beaumont North of SH347. The pipeline is continuous consisting of a 30” inch, 20”, and 12” pipe.

There is a one-time fee of \$500 for each Pipeline License Agreement.

FUNDING SOURCE

Not applicable.

RECOMMENDATION

Approval of resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE

CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to grant two (2) Pipeline License Agreements to Enterprise Beaumont Marine West, LP, substantially in the form attached hereto as Exhibits "A" and "B," to install two (2) pipelines. These agreements are described as follows:

As described and shown in Exhibit "A," being 6,631 feet of continuous steel pipeline carrying gasoline with the pipeline consisting of 6,546 feet of 20 inch pipe and 85 feet of 12 inch pipe within the city limits of Beaumont North of SH 347; and,

As described and shown in Exhibit "B," being 6,875 feet of one continuous steel pipeline carrying Ultra Low Sulfur Diesel with the pipeline consisting of 3,668 feet of 30 inch pipe, 3,129 feet of 20 inch pipe and 77 feet of 12 inch pipe within the city limits of Beaumont North of SH 347.

;and,

BE IT FURTHER RESOLVED THAT these Pipeline License Agreements are for the purpose of transporting refined products and the pipelines are to be constructed in compliance with City requirements.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

CITY OF BEAUMONT
APPLICATION FOR
PIPELINE LICENSE AGREEMENT

THE STATE OF TEXAS §

COUNTY OF JEFFERSON §

Business Name: Enterprise Beaumont Marine West, L.P. Business Phone: (713) 381-8368

Business Address: Attn: Marc Tausend, Land Department 13.12, 1100 Louisiana Street, Houston, Texas 77002

The City of Beaumont, hereinafter called "City", for and in consideration of the sum specified herein \$500.00

_____ hereby grants to

Enterprise Beaumont Marine West, L.P.

_____ hereinafter called "Licensee", the license to lay, maintain, operate, replace, or remove a pipeline for the transportation of oil, gas, water, or their products, on or across the following property situated in the City of Beaumont, Jefferson County, Texas, and being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Street Name or R.O.W. Description

Length (Linear Feet)

No ROW - See Attached for Location

6,631 feet of one continuous steel pipeline carrying gasoline with the pipeline consisting of 6,546 feet of 20 inch pipe and

85 feet of 12 inch pipe.

COST OF LICENSE:

Licensee shall make payment to the City of Beaumont as follows:

- o License Agreement fee - \$500.00
- o Annual fee of \$2.25 per linear foot of pipeline located within City property. Said fee shall be reset on January 31, 2011 and shall be reset every ten (10) years, thereafter, to a level to be determined by the City Council or their delegated representative.

All fees, including the first annual fee for linear foot usage shall be made to the Engineering Division and payable to the City of Beaumont prior to construction.

This license is granted by the City of Beaumont subject to conditions. Failure to comply with the following may result in termination of agreement (see page 8).

GENERAL CONDITIONS:

- o Licensee does not intend to sell product for resale from the covered pipeline to customers located within the City; however, Licensee recognizes that should it sell product for resale from this covered pipeline to customers within the City, it will be required to report such distribution and when lawfully required to do so, pay a street rental fee based on revenues. The annual fee and the regulations controlling the payment of such fee will be those as lawfully established by the ordinances of the City.
- o All pipelines crossing public rights-of-way shall be bored from right-of-way line to right-of-way line. Within these limits, the pipeline shall be protected by casing or other method approved by the City and/or the Texas Department of Transportation.
- o The pipeline shall be constructed in such a manner as approved by the City so as it does not interfere with the use of the City property.

- The pipeline shall be installed a minimum of five (5) feet below the lowest existing or proposed ditch grades, waterlines, sanitary sewer lines or storm drainage lines, unless otherwise authorized by the City and/or Texas Department of Transportation. Such grades and lines shall be indicated on map submittal, as well as depth of proposed pipeline (see page 4).

The construction and operation of the pipeline shall not interfere with the natural drainage in that area nor with the drainage system of the City, nor with sanitary sewer lines, waterlines, or other utilities.

Damage to existing ditch grade during construction or maintenance of the pipeline shall be corrected and the ditch grade shall be restored to the condition and grade at which it existed prior to construction or maintenance. Bore pits shall be backfilled according to City standards.

- Excavations necessary for the construction, repair, or maintenance of the pipeline shall be performed in such a manner that will cause minimal inconvenience to the public. Licensee shall promptly restore the area to as good a condition as before working thereon and to the reasonable satisfaction of the City's Engineering Division and/or the Texas Department of Transportation.
- Operations along roadways shall be performed in such a manner that all excavated materials will be kept off the pavements at all times, as well as all operating equipment and materials. All property where operations are performed will be restored to original condition or better. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a result of this installation will be borne by the owner of this line.
- Barricades, warning signs and lights, and flagpersons shall be provided by the contractor or owner when necessary. Only under extreme circumstances, as deemed necessary by the City Engineer, will open cutting of a street or roadway be allowed. All barricading must be by permit and approved by the City (Public Works Department) in advance.
- Any construction which takes place in, on under, above, or across property not owned by the City shall require additional permission by the owner(s) of the property involved. Written proof of said permission is to be provided to the City as part of the application process. Approval of this license agreement excludes permission to do any construction on property which is not owned by the City of Beaumont.

- Any licenses, permits or agreements required by another governmental entity (County, State or Federal) shall be obtained and a copy of such document shall be provided to the City.

If agreement is not required by said governmental entity, then documentation regarding such will be provided to the City of Beaumont.

- Licensee shall provide copies of all necessary agreements to be obtained from other City Departments.
- Licensee shall be responsible for acquiring all agreements necessary for the lawful use of any private property.
- A map showing the location of the proposed pipeline shall be provided. (1"=2,000' City of Beaumont map or United States Geological Survey Map)
- The pipeline shall be maintained and operated in such a manner as not to leak and/or cause damage to any City streets, alley, easements or other property. Once the pipeline is in operation, any damage that occurs to the pipeline which results in exposure or release of product must be reported **immediately to the City Fire Department and Public Work's Department**. Licensee shall fully cooperate with the Fire Department and provide, or assist with providing, any and all necessary notifications, evacuations or other necessary actions. Leaks or other defects are to be repaired immediately by Licensee at it's own cost.
- The Licensee shall be responsible for the cleanup and remediation of contaminated areas due to exposure or release of product and any and all costs associated with said cleanup and remediation.
- The Licensee shall be responsible for any and all costs associated with the relocation of the pipeline. As provided, the necessity for relocation of the pipeline shall be solely within the discretion of City and/or the Texas Department of Transportation.
- Permits which allow lines to be maintained or constructed in City right-of-way shall be obtained by Licensee or it's contractor prior to beginning maintenance or construction. The fee for such permits is in addition to this License Agreement fee. (See Cost of License)
- Installation will be done in accordance with all City standards and statutes of the State of Texas.

REQUIRED COVERAGE:

- Licensee shall furnish the City with a Certificate of Standard Liability Insurance, including bodily injuries and property damage, naming the City of Beaumont as an Additional Insured. Such policy shall provide for the following minimum coverage:
 - Bodily injuries: \$ 300,000.00 per person
 \$1,000,000.00 per incident
 - Property Damage: \$1,000,000.00

Such insurance shall be maintained in force and effect during the construction or required maintenance of the pipeline and during the life of the pipeline.

Such certificate shall contain a provision that at least fifteen (15) days written notice must be given to the City prior to cancellation, alteration, or modification of such insurance.

- Licensee shall have in force with the City a surety bond in the principal amount of \$1,000,000.00. The bond shall be payable to the City of Beaumont for the use and benefit of any person entitled thereto and conditioned that the principal and surety will pay all damages to any person caused by, or arising from, or growing out of any violation of the terms of this agreement. The bond shall provide that it may not be cancelled, altered, or otherwise modified without giving fifteen (15) days prior written notice to the City. The bond shall be good and in effect for a period of one (1) year from the date of completion of construction of the pipeline.
- Licensee shall indemnify, save and hold harmless the City of Beaumont from any and all claims for injuries and damages to persons or property occasioned by or arising out of the construction, maintenance, operation, repair or removal of the pipeline. This indemnity expressly extends to claims alleging negligence by the City of Beaumont, its agents, officers or employees, arising from actions taken or occurrences under this license agreement.
- If the pipeline or any part thereof installed by Licensee shall be in any respect damaged or injured by City or any of its agents or employees in connection with the performance of any work or repairs that may be done upon the property mentioned herein:

Licensee shall not be entitled to prosecute or maintain a claim against the City of Beaumont for any such damage or injuries so sustained by it; however, said conditions shall not prevent Licensee from recovering against any contractor who shall damage Licensee's property in the course of such contractor's performance of any contract with the City.

OTHER CONSTRUCTION/MAINTENANCE WITHIN R.O.W.:

- o City will use its best efforts to notify Licensee of any proposed construction and/or maintenance, to be done by City forces or by contract for the City, within the R.O.W. involved with this license.

Notification, to Licensee, of other construction and/or maintenance permitted by the City and within the R.O.W. involved with this license will be the responsibility of the company obtaining said permit.

Licensee shall mark the location of its lines within forty-eight (48) hours after receipt of such notification of proposed construction.

Licensee shall maintain a local, or toll free, telephone number to be called for notification of construction or maintenance and for location of lines. Such number, or charges to such number, will be provided to the City (Department of Public Works) and kept current at all times. This number shall be provided to entities permitted to construct, maintain or excavate within this City R.O.W. and which are required to provide notification of such work. When information has been relayed to Licensee, through the phone number provided, such contact shall constitute notification for Licensee to provide location of its lines. Failure, by Licensee, to respond within the required time frame shall alleviate the responsibility of the person(s) requiring the lines to be relocated.

- o City reserves the right to lay, and to permit to be laid, sewer, gas, water and other pipes and cables, and to do or permit to be done any underground work that may be deemed to be necessary or proper by City in, across, along, or under any of the streets, alleys and easements, and to change any curb or sidewalk or the grade of any said streets. In doing or permitting any such work, the City of Beaumont shall not be liable to Licensee for any damage occasioned; it being understood that nothing herein shall be construed as foreclosing Licensee's rights to recover damages against any contractor or third party who may be responsible for damages to Licensee's facilities.

- Whenever by reason of the change in the grade of any street occupied by Licensees' pipeline or construction of a new street or highway along or over said street, or by reason of the location or manner of constructing drainage structures, water pipes, gas pipes, sewers, or other underground construction for any purpose whatever, it shall be deemed necessary by City to relocate, alter, encase, change, adopt or conform the pipeline of Licensee thereto, such change shall be made promptly by Licensee at its cost and without claim for reimbursement or damages against City. If the change is demanded by the City for the benefit of any other person or private corporation, except the City or the Texas Department of Transportation, Licensee shall be reimbursed fully by the person or corporation desiring or occasioning such change for any expense arising out of such change; provided, however, should the change be requested by the Texas Department of Transportation or be required due to construction of a state or federal highway, Licensee will, upon notice from the City, make such change immediately and at its own cost; it being understood that City will not participate in any part of the cost of any change involving relocation, altering, encasing, boring, or changing in any manner of the pipeline where same is in a City street, alley, easement or other right-of-way.

NOTIFICATION/INSPECTION:

- Any and all work to be performed on City right-of-way (R.O.W.) shall be observed and inspected by a City representative. Any work to be performed within the City limits will be subject to periodic inspection to ensure compliance with construction standards.
- Licensee shall provide the City (Public Works Department - Engineering Division) twenty-four (24) hours prior to the installation of the lines permitted by this license. Licensee shall also notify the City twenty-four (24) hours prior to any street or R.O.W. crossing. A representative will be scheduled to be present. The expense of such inspection services may be billed to the Licensee and such amounts will be reimbursed to the City.
- Licensee shall notify the Engineering Division at least forty-eight (48) hours prior to completion of work and removal of equipment from the job site to permit the City to make an inspection.

SPECIAL CONDITIONS:

Nonassignable

This license is personal to the Licensee. It is nonassignable and any attempt to assign this license will terminate the license privileges granted to Licensee hereunder.

Termination

This agreement is subject to termination by the City if any condition specified herein is not met. This agreement may also be terminated by the Licensee. Either party attempting to terminate this agreement shall give written notice to the other specifying the date of, and the reason for, termination. Such notice shall be given not less than thirty (30) days prior to the termination date therein specified. Any written notice may be effected either by personal delivery or by registered or certified mail, postage prepaid with return receipt requested. Mail notices shall be addressed to the addresses of the parties as follows:

City of Beaumont	Name of Licensee: <u>Enterprise Beaumont Marine West, L.P.</u>
P.O. Box 3827 Beaumont, Texas 77704	Address of Licensee: <u>1100 Louisiana Street, Attn: Marc Tausend</u>
Attn: City Manager	City and State of Licensee: <u>Houston, Texas 77002</u>

Upon cancellation, the pipeline shall be removed and property restored to a condition acceptable to the City Engineer. In the event of cancellation, any and all monies collected for fees associated with this agreement will remain the property of the City. There will be no reimbursements.

Commencement of work on the pipeline by Licensee after the date of this fully executed license shall be construed as evidence of Licensee's acceptance and approval of the conditions above set forth.

IN WITNESS WHEREOF, the City of Beaumont, Texas, has caused these presents to be signed by its City Manager and the seal of the City to be herewith affixed by the City Clerk, this ____ day of _____, A.D. 20 ____.

CITY OF BEAUMONT, TEXAS

By: _____
Kyle Hayes, City Manager

ATTEST:

City Clerk

APPLICANT'S COMPANY NAME:
(Licensee)

Enterprise Beaumont Marine West, L.P.

Represented by:

Marc D. Tausend

Marc D. Tausend, as Agent and Attorney-in-Fact
Title

ATTEST:

By: _____
Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
04/21/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Southwest, Inc. Houston TX Office 5555 San Felipe Suite 1500 Houston TX 77056 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122		FAX (A/C. No.): (800) 363-0105
	E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE			NAIC #
INSURED Enterprise Beaumont Marine West, L.P. 1100 Louisiana Street, 10th Floor Houston TX 77002 USA	INSURER A: National Union Fire Ins Co of Pittsburgh		19445
	INSURER B: New Hampshire Ins Co		23841
	INSURER C: Liberty Mutual Insurance Europe Ltd.		AA1120855
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES **CERTIFICATE NUMBER: 570057465889** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			GL2803112	04/18/2015	04/18/2016	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
							MED EXP (Any one person)	Excluded
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$2,000,000
							PRODUCTS - COMP/OP AGG	\$2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			CA 480-70-20	04/18/2015	04/18/2016	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
C	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION			DE1500353000**	04/18/2015	04/18/2016	EACH OCCURRENCE	\$5,000,000
							AGGREGATE	\$5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	WC019177486	04/18/2015	04/18/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE-EA EMPLOYEE	\$1,000,000
							E.L. DISEASE-POLICY LIMIT	\$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Certificate Holder is included as Additional Insured in accordance with the policy provisions of the Auto Liability and General Liability policies. **Policy is excess of primary policies.

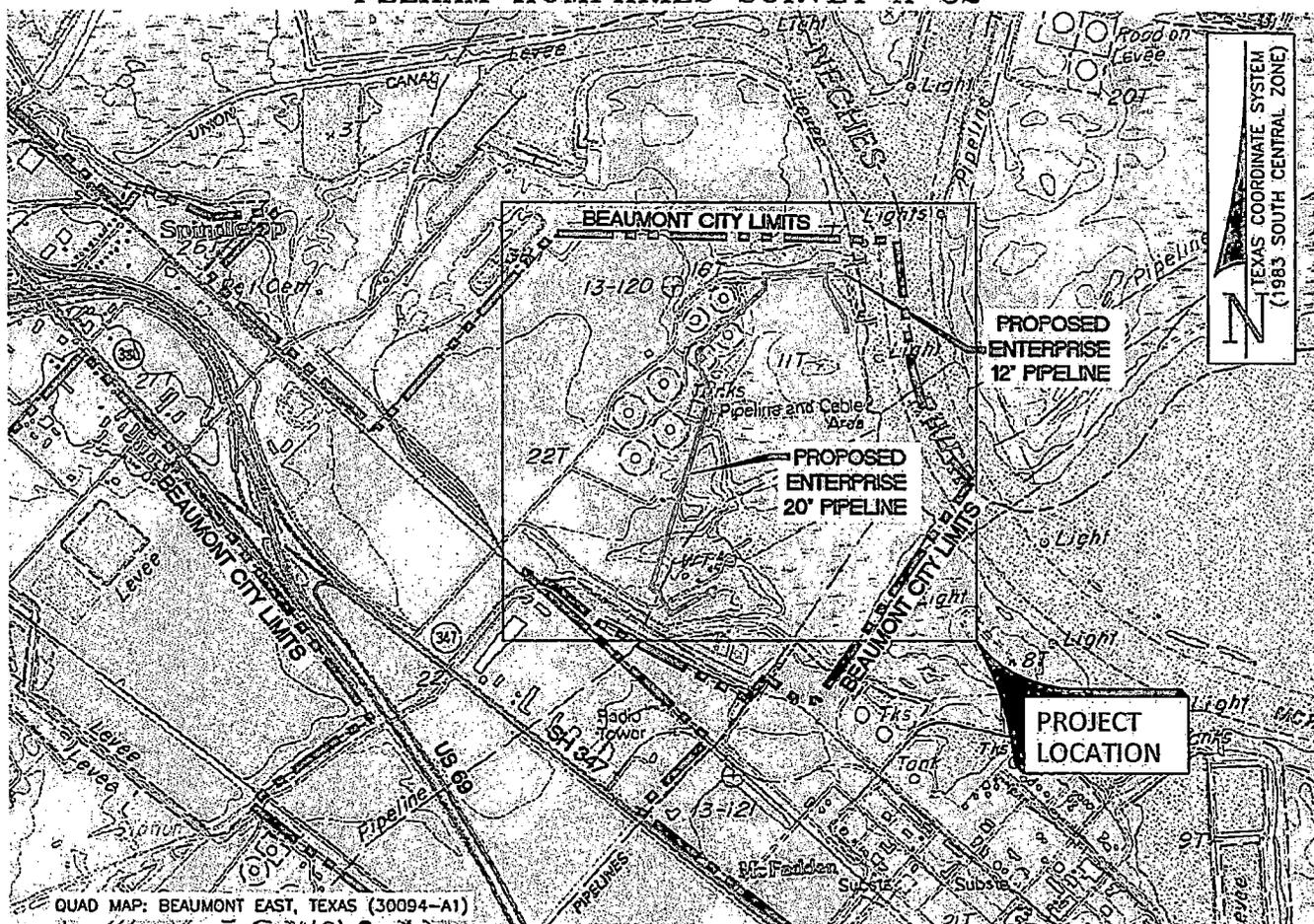
CERTIFICATE HOLDER **CANCELLATION**

City of Beaumont P.O. Box 3827 Beaumont TX 77704 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Southwest, Inc.</i>

Holder Identifier :

Certificate No : 570057465889

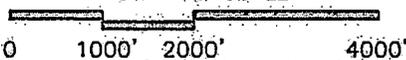
**JEFFERSON COUNTY, TEXAS
PELHAM HUMPHRIES SURVEY A-32**



QUAD MAP: BEAUMONT EAST, TEXAS (30094-A1)

VICINITY MAP

GRAPHIC SCALE



NOTE:
ALL BEARINGS AND COORDINATES REFER TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 SOUTH CENTRAL ZONE US SURVEY FOOT AS DERIVED FROM A GLOBAL POSITIONING SYSTEM (GPS) STATIC SURVEY. DISTANCES SHOWN HEREIN ARE BASED ON GRID.

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

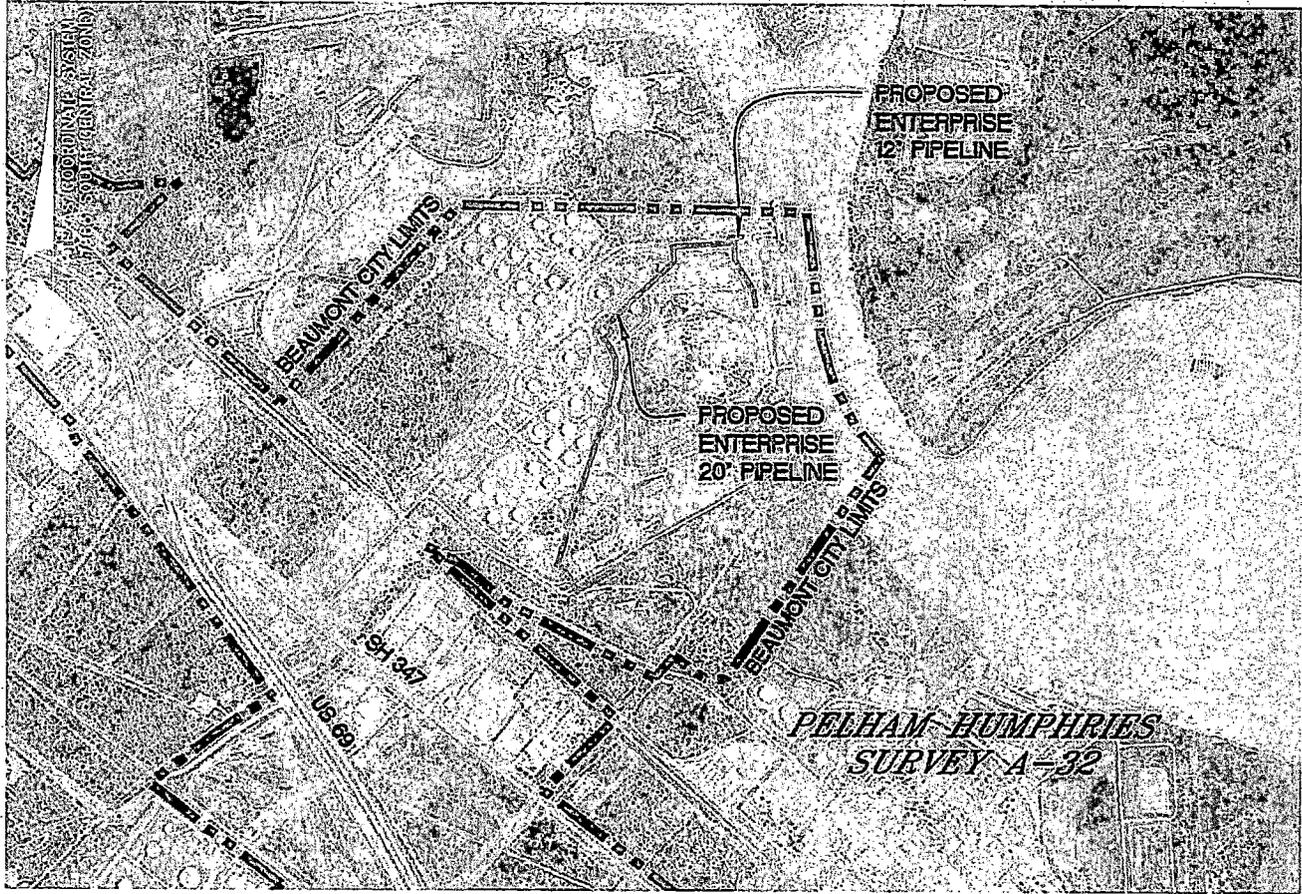
VICINITY MAP
PROPOSED 20" & 12" ENTERPRISE PIPELINE
INSIDE THE
CITY LIMITS OF BEAUMONT
JEFFERSON COUNTY, TEXAS



Morris P. Hebert, Inc.
SURVEYING • ENGINEERING • ENVIRONMENTAL SERVICES • FIELD SERVICES • GIS
1540 UNIVERSAL CITY BLVD • UNIVERSAL CITY, TEXAS 78148 • (210) 366-9350
FIRM REGISTRATION NO. 10193717

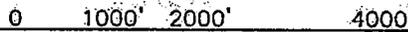
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CHKD./APPD. BY: JH	SCALE: 1" = 2000'
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE A.DWG	

JEFFERSON COUNTY, TEXAS
 PELHAM HUMPHRIES SURVEY A-32



AN ON-THE-GROUND EFFORT HAS BEEN MADE TO LOCATE AND INDICATE ALL BELOW GROUND FERROUS METAL CABLES, PIPELINES, UTILITIES, ETC. CROSSED BY THE PROPOSED PROJECT; HOWEVER DUE TO THE INHERENT LIMITATIONS OF ELECTRONIC MAGNETIC LOCATING EQUIPMENT, MORRIS P. HEBERT, INC. IS NOT RESPONSIBLE FOR ANY CABLES, PIPELINES, UTILITIES OR ANY OTHER BELOW GROUND STRUCTURES (INCLUDING PVC) NOT LOCATED DURING THE COURSE OF THE SURVEY.

PLAN
 GRAPHIC SCALE



NOTE:
 ALL BEARINGS AND COORDINATES REFER TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 SOUTH CENTRAL ZONE US SURVEY FOOT AS DERIVED FROM A GLOBAL POSITIONING SYSTEM (GPS) STATIC SURVEY. DISTANCES SHOWN HEREIN ARE BASED ON GRID.

NO.	DATE	REV. BY:	REVISION

ENTERPRISE BEAUMONT MARINE WEST, L.P.

PLAN
 PROPOSED 20" & 12" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS

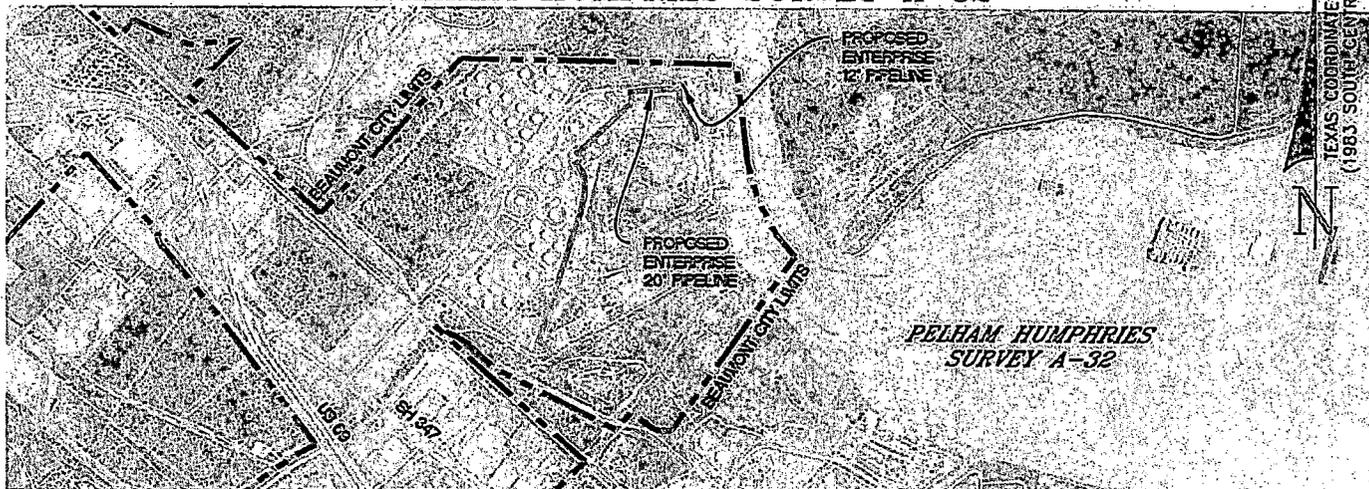


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 FIRM REGISTRATION NO. 10193717

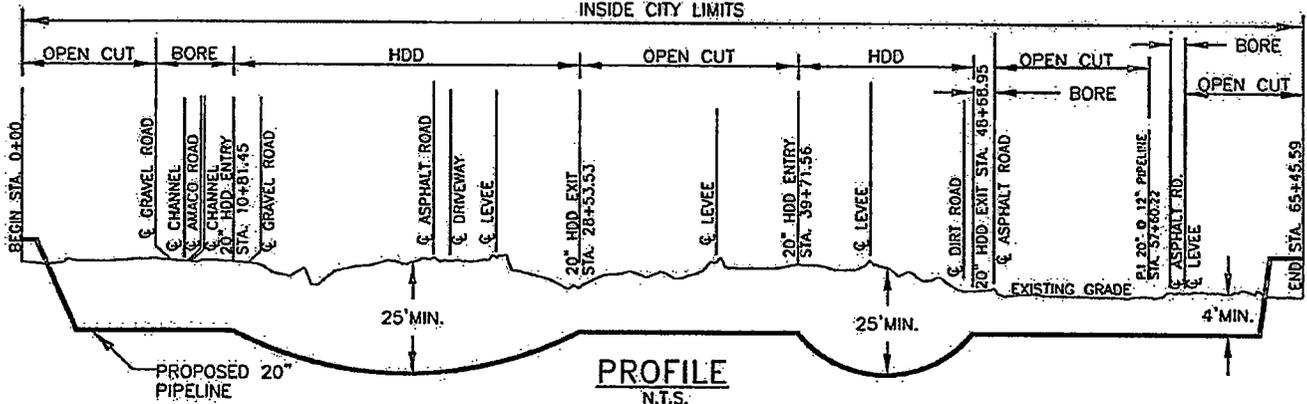
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UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE A.DWG	

JEFFERSON COUNTY, TEXAS
 PELHAM HUMPHRIES SURVEY A-32

TEXAS COORDINATE SYSTEM
 (1983 SOUTH CENTRAL ZONE)



PLAN
 N.T.S.



PROFILE
 N.T.S.

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

DETAILED PLAN & PROFILE
 PROPOSED 20" & 12" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS

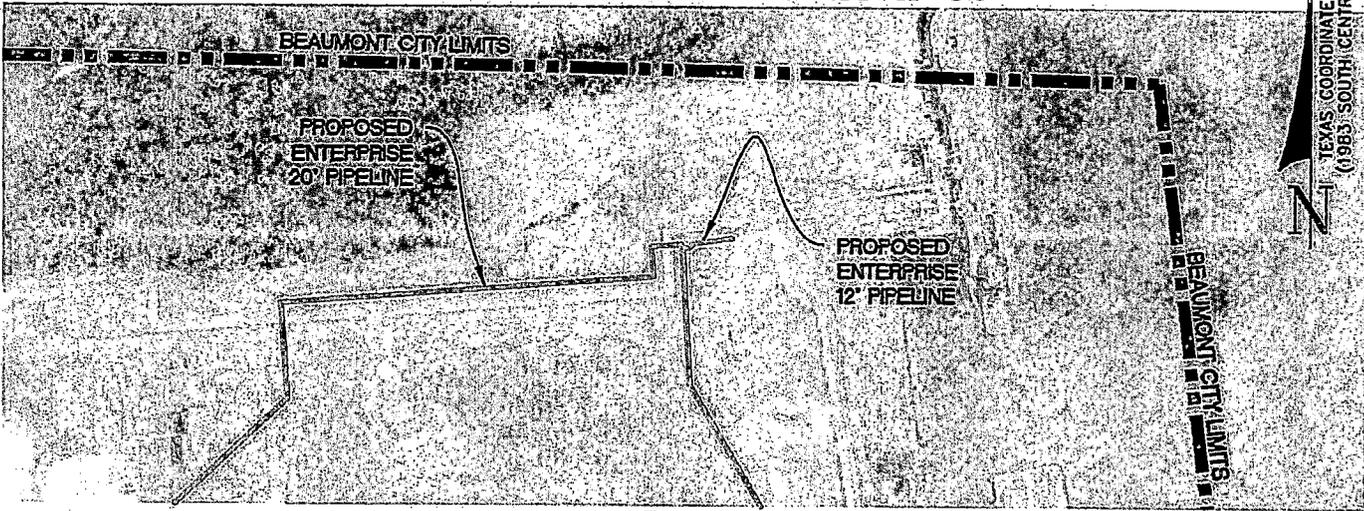


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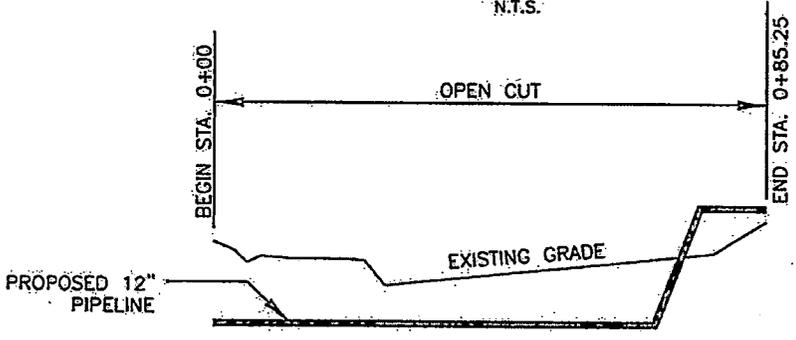
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UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE A.DWG	

JEFFERSON COUNTY, TEXAS
 PELHAM HUMPRIES SURVEY A-32

TEXAS COORDINATE SYSTEM
 (1983 SOUTH CENTRAL ZONE)



PLAN
 N.T.S.



PROFILE
 N.T.S.

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

DETAILED PLAN & PROFILE
 PROPOSED 12" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS

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 FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 4 OF 6
CHKD./APPD. BY: JH	SCALE: NONE
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE A.DWG	

PROPOSED 20" PIPELINE DATA

1.0 GENERAL INFORMATION

- 1.1 APPLICANT/OWNER: ENTERPRISE BEAUMONT MARINE WEST, L.P.
- 1.2 PIPELINE NAME: PROPOSED 20" GASOLINE PIPELINE
- 1.3 PRODUCT: GASOLINE
- 1.4 PROPOSED CONSTRUCTION ACTIVITIES SCHEDULED FOR JUNE 2015 THROUGH OCTOBER OF 2015.

2.0 PIPELINE DESIGN DATA

- 2.1 DESIGN CODES: THE DEPARTMENT OF TRANSPORTATION ("DOT") STANDARD CFR TITLE 49, PART 195, "TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE" AND THE RAILROAD COMMISSION PIPELINE SAFETY RULES AND ASME B31.4.
- 2.2 DESIGN PRESSURE: 1480 PSIG
- 2.3 HYDROSTATIC TEST PRESSURE: 1850 PSIG MIN. 2220 PSIG MAX.
- 2.4 DESIGN FACTOR: 0.60 (HDD & BORE) TO 0.72 (OPEN CUT)

3.0 CATHODIC PROTECTION

- 3.1 RECTIFIER IMPRESSED CURRENT

4.0 CONSTRUCTION METHOD

- 4.1 PIPELINE WILL BE INSTALLED BY HORIZONTAL DIRECTIONAL DRILL OR CONVENTIONAL BORE OR OPEN CUT.
- 5.0 OPEN CUT AND/OR BORE AND/OR HDD LINE PIPE
 - 5.1 OUTSIDE DIAMETER: 20"
 - 5.2 WALL THICKNESS: 0.375" for OPEN CUT & 0.500" for BORE & HDD
 - 5.3 PIPE SPECIFICATION: API 5L
 - 5.4 SPECIFIED MINIMUM YIELD STRENGTH: X60 - 60,000 PSI for OPEN CUT & X65 - 65,000 PSI for BORE & HDD
 - 5.5 MATERIAL: STEEL
 - 5.6 PROCESS OF MANUFACTURE: HFW
 - 5.7 EXTERIOR COATING: 14 TO 16 MILS FUSION BONDED EPOXY (FBE) & 30 TO 40 MILS ABRASION RESISTANT OVERLAY (ARO)

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

PIPELINE DESIGN DATA
PROPOSED 20" PIPELINE
INSIDE THE
CITY LIMITS OF BEAUMONT
JEFFERSON COUNTY, TEXAS



Morris P. Hebert, Inc.
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FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 5 OF 6
CHKD./APPD. BY: JH	SCALE: AS SHOWN
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE A.DWG	

PROPOSED 12" GASOLINE PIPELINE DATA

1.0 GENERAL INFORMATION

- 1.1 APPLICANT/OWNER: ENTERPRISE BEAUMONT MARINE WEST, L.P.
- 1.2 PIPELINE NAME: PROPOSED 12" GASOLINE PIPELINE
- 1.3 PRODUCT: GASOLINE
- 1.4 PROPOSED CONSTRUCTION ACTIVITIES SCHEDULED FOR JUNE 2015 THROUGH OCTOBER OF 2015.

2.0 PIPELINE DESIGN DATA

- 2.1 DESIGN CODES: THE DEPARTMENT OF TRANSPORTATION ("DOT") STANDARD CFR TITLE 49, PART 195, "TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE" AND THE RAILROAD COMMISSION PIPELINE SAFETY RULES AND ASME B31.4
- 2.2 DESIGN PRESSURE: 1480 PSIG
- 2.3 HYDROSTATIC TEST PRESSURE: 1850 PSIG MIN. 2220 PSIG MAX.
- 2.4 DESIGN FACTOR: 0.50

3.0 CATHODIC PROTECTION

- 3.1 RECTIFIER IMPRESSED CURRENT

4.0 CONSTRUCTION METHOD

- 4.1 N/A

5.0 ABOVE GROUND FACILITY CONSTRUCTION

- 5.1 OUTSIDE DIAMETER: 12"
- 5.2 WALL THICKNESS: 0.375" for OPEN CUT & 0.500 for BORE & HDD
- 5.3 PIPE SPECIFICATION: API 5L
- 5.4 SPECIFIED MINIMUM YIELD STRENGTH: X60 - 60,000 PSI
- 5.5 MATERIAL: STEEL
- 5.6 PROCESS OF MANUFACTURE: HFW
- 5.7 EXTERIOR COATING: PAINT

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

PIPELINE DESIGN DATA
PROPOSED 12" PIPELINE
INSIDE THE
CITY LIMITS OF BEAUMONT
JEFFERSON COUNTY, TEXAS



Morris P. Hebert, Inc.
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FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 6 OF 6
CHKD./APPD. BY: JH	SCALE: AS SHOWN
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE A.DWG	

CITY OF BEAUMONT
APPLICATION FOR
PIPELINE LICENSE AGREEMENT

THE STATE OF TEXAS §

COUNTY OF JEFFERSON §

Business Name: Enterprise Beaumont Marine West, L.P. Business Phone: (713) 381-8368

Business Address: Attn: Marc Tausend, Land Department 13.12, 1100 Louisiana Street, Houston, Texas 77002

The City of Beaumont, hereinafter called "City", for and in consideration of the sum specified herein \$500.00

_____ hereby grants to

Enterprise Beaumont Marine West, L.P.

_____ hereinafter called "Licensee", the license to lay, maintain, operate, replace, or remove a pipeline for the transportation of oil, gas, water, or their products, on or across the following property situated in the City of Beaumont, Jefferson County, Texas, and being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Street Name or R.O.W. Description

Length (Linear Feet)

No ROW - See Attached for Location

6,875 feet of one continuous steel pipeline carrying Ultra Low Sulphur Diesel with the pipeline consisting of 3,668 feet of 30 inch pipe, 3,129 feet of 20 inch pipe, and 77 feet of 12 inch pipe.

COST OF LICENSE:

Licensee shall make payment to the City of Beaumont as follows:

- o License Agreement fee - \$500.00
- o Annual fee of \$2.25 per linear foot of pipeline located within City property. Said fee shall be reset on January 31, 2011 and shall be reset every ten (10) years, thereafter, to a level to be determined by the City Council or their delegated representative.

All fees, including the first annual fee for linear foot usage shall be made to the Engineering Division and payable to the City of Beaumont prior to construction.

This license is granted by the City of Beaumont subject to conditions. Failure to comply with the following may result in termination of agreement (see page 8).

GENERAL CONDITIONS:

- o Licensee does not intend to sell product for resale from the covered pipeline to customers located within the City; however, Licensee recognizes that should it sell product for resale from this covered pipeline to customers within the City, it will be required to report such distribution and when lawfully required to do so, pay a street rental fee based on revenues. The annual fee and the regulations controlling the payment of such fee will be those as lawfully established by the ordinances of the City.
- o All pipelines crossing public rights-of-way shall be bored from right-of-way line to right-of-way line. Within these limits, the pipeline shall be protected by casing or other method approved by the City and/or the Texas Department of Transportation.
- o The pipeline shall be constructed in such a manner as approved by the City so as it does not interfere with the use of the City property.

- The pipeline shall be installed a minimum of five (5) feet below the lowest existing or proposed ditch grades, waterlines, sanitary sewer lines or storm drainage lines, unless otherwise authorized by the City and/or Texas Department of Transportation. Such grades and lines shall be indicated on map submittal, as well as depth of proposed pipeline (see page 4).

The construction and operation of the pipeline shall not interfere with the natural drainage in that area nor with the drainage system of the City, nor with sanitary sewer lines, waterlines, or other utilities.

Damage to existing ditch grade during construction or maintenance of the pipeline shall be corrected and the ditch grade shall be restored to the condition and grade at which it existed prior to construction or maintenance. Bore pits shall be backfilled according to City standards.

- Excavations necessary for the construction, repair, or maintenance of the pipeline shall be performed in such a manner that will cause minimal inconvenience to the public. Licensee shall promptly restore the area to as good a condition as before working thereon and to the reasonable satisfaction of the City's Engineering Division and/or the Texas Department of Transportation.
- Operations along roadways shall be performed in such a manner that all excavated materials will be kept off the pavements at all times, as well as all operating equipment and materials. All property where operations are performed will be restored to original condition or better. No equipment or installation procedures will be used which will damage any road surface or structures. The cost of any repairs to road surface, roadbed, structures or other right-of-way features as a result of this installation will be borne by the owner of this line.
- Barricades, warning signs and lights, and flagpersons shall be provided by the contractor or owner when necessary. Only under extreme circumstances, as deemed necessary by the City Engineer, will open cutting of a street or roadway be allowed. All barricading must be by permit and approved by the City (Public Works Department) in advance.
- Any construction which takes place in, on under, above, or across property not owned by the City shall require additional permission by the owner(s) of the property involved. Written proof of said permission is to be provided to the City as part of the application process. Approval of this license agreement excludes permission to do any construction on property which is not owned by the City of Beaumont.

- Any licenses, permits or agreements required by another governmental entity (County, State or Federal) shall be obtained and a copy of such document shall be provided to the City.

If agreement is not required by said governmental entity, then documentation regarding such will be provided to the City of Beaumont.

- Licensee shall provide copies of all necessary agreements to be obtained from other City Departments.
- Licensee shall be responsible for acquiring all agreements necessary for the lawful use of any private property.
- A map showing the location of the proposed pipeline shall be provided. (1"=2,000' City of Beaumont map or United States Geological Survey Map)
- The pipeline shall be maintained and operated in such a manner as not to leak and/or cause damage to any City streets, alley, easements or other property. Once the pipeline is in operation, any damage that occurs to the pipeline which results in exposure or release of product must be reported **immediately to the City Fire Department and Public Work's Department**. Licensee shall fully cooperate with the Fire Department and provide, or assist with providing, any and all necessary notifications, evacuations or other necessary actions. Leaks or other defects are to be repaired immediately by Licensee at its own cost.
- The Licensee shall be responsible for the cleanup and remediation of contaminated areas due to exposure or release of product and any and all costs associated with said cleanup and remediation.
- The Licensee shall be responsible for any and all costs associated with the relocation of the pipeline. As provided, the necessity for relocation of the pipeline shall be solely within the discretion of City and/or the Texas Department of Transportation.
- Permits which allow lines to be maintained or constructed in City right-of-way shall be obtained by Licensee or its contractor prior to beginning maintenance or construction. The fee for such permits is in addition to this License Agreement fee. (See Cost of License)
- Installation will be done in accordance with all City standards and statutes of the State of Texas.

REQUIRED COVERAGE:

- Licensee shall furnish the City with a Certificate of Standard Liability Insurance, including bodily injuries and property damage, naming the City of Beaumont as an Additional Insured. Such policy shall provide for the following minimum coverage:
 - Bodily injuries: \$ 300,000.00 per person
 \$1,000,000.00 per incident
 - Property Damage: \$1,000,000.00

Such insurance shall be maintained in force and effect during the construction or required maintenance of the pipeline and during the life of the pipeline.

Such certificate shall contain a provision that at least fifteen (15) days written notice must be given to the City prior to cancellation, alteration, or modification of such insurance.

- Licensee shall have in force with the City a surety bond in the principal amount of \$1,000,000.00. The bond shall be payable to the City of Beaumont for the use and benefit of any person entitled thereto and conditioned that the principal and surety will pay all damages to any person caused by, or arising from, or growing out of any violation of the terms of this agreement. The bond shall provide that it may not be cancelled, altered, or otherwise modified without giving fifteen (15) days prior written notice to the City. The bond shall be good and in effect for a period of one (1) year from the date of completion of construction of the pipeline.
- Licensee shall indemnify, save and hold harmless the City of Beaumont from any and all claims for injuries and damages to persons or property occasioned by or arising out of the construction, maintenance, operation, repair or removal of the pipeline. This indemnity expressly extends to claims alleging negligence by the City of Beaumont, its agents, officers or employees, arising from actions taken or occurrences under this license agreement.
- If the pipeline or any part thereof installed by Licensee shall be in any respect damaged or injured by City or any of its agents or employees in connection with the performance of any work or repairs that may be done upon the property mentioned herein:

Licensee shall not be entitled to prosecute or maintain a claim against the City of Beaumont for any such damage or injuries so sustained by it; however, said conditions shall not prevent Licensee from recovering against any contractor who shall damage Licensee's property in the course of such contractor's performance of any contract with the City.

OTHER CONSTRUCTION/MAINTENANCE WITHIN R.O.W.:

- o City will use its best efforts to notify Licensee of any proposed construction and/or maintenance, to be done by City forces or by contract for the City, within the R.O.W. involved with this license.

Notification, to Licensee, of other construction and/or maintenance permitted by the City and within the R.O.W. involved with this license will be the responsibility of the company obtaining said permit.

Licensee shall mark the location of its lines within forty-eight (48) hours after receipt of such notification of proposed construction.

Licensee shall maintain a local, or toll free, telephone number to be called for notification of construction or maintenance and for location of lines. Such number, or charges to such number, will be provided to the City (Department of Public Works) and kept current at all times. This number shall be provided to entities permitted to construct, maintain or excavate within this City R.O.W. and which are required to provide notification of such work. When information has been relayed to Licensee, through the phone number provided, such contact shall constitute notification for Licensee to provide location of its lines. Failure, by Licensee, to respond within the required time frame shall alleviate the responsibility of the person(s) requiring the lines to be relocated.

- o City reserves the right to lay, and to permit to be laid, sewer, gas, water and other pipes and cables, and to do or permit to be done any underground work that may be deemed to be necessary or proper by City in, across, along, or under any of the streets, alleys and easements, and to change any curb or sidewalk or the grade of any said streets. In doing or permitting any such work, the City of Beaumont shall not be liable to Licensee for any damage occasioned; it being understood that nothing herein shall be construed as foreclosing Licensee's rights to recover damages against any contractor or third party who may be responsible for damages to Licensee's facilities.

- Whenever by reason of the change in the grade of any street occupied by Licensees' pipeline or construction of a new street or highway along or over said street, or by reason of the location or manner of constructing drainage structures, water pipes, gas pipes, sewers, or other underground construction for any purpose whatever, it shall be deemed necessary by City to relocate, alter, encase, change, adopt or conform the pipeline of Licensee thereto, such change shall be made promptly by Licensee at its cost and without claim for reimbursement or damages against City. If the change is demanded by the City for the benefit of any other person or private corporation, except the City or the Texas Department of Transportation, Licensee shall be reimbursed fully by the person or corporation desiring or occasioning such change for any expense arising out of such change; provided, however, should the change be requested by the Texas Department of Transportation or be required due to construction of a state or federal highway, Licensee will, upon notice from the City, make such change immediately and at its own cost; it being understood that City will not participate in any part of the cost of any change involving relocation, altering, encasing, boring, or changing in any manner of the pipeline where same is in a City street, alley, easement or other right-of-way.

NOTIFICATION/INSPECTION:

- Any and all work to be performed on City right-of-way (R.O.W.) shall be observed and inspected by a City representative. Any work to be performed within the City limits will be subject to periodic inspection to ensure compliance with construction standards.
- Licensee shall provide the City (Public Works Department - Engineering Division) twenty-four (24) hours prior to the installation of the lines permitted by this license. Licensee shall also notify the City twenty-four (24) hours prior to any street or R.O.W. crossing. A representative will be scheduled to be present. The expense of such inspection services may be billed to the Licensee and such amounts will be reimbursed to the City.
- Licensee shall notify the Engineering Division at least forty-eight (48) hours prior to completion of work and removal of equipment from the job site to permit the City to make an inspection.

SPECIAL CONDITIONS:

Nonassignable

This license is personal to the Licensee. It is nonassignable and any attempt to assign this license will terminate the license privileges granted to Licensee hereunder.

Termination

This agreement is subject to termination by the City if any condition specified herein is not met. This agreement may also be terminated by the Licensee. Either party attempting to terminate this agreement shall give written notice to the other specifying the date of, and the reason for, termination. Such notice shall be given not less than thirty (30) days prior to the termination date therein specified. Any written notice may be effected either by personal delivery or by registered or certified mail, postage prepaid with return receipt requested. Mail notices shall be addressed to the addresses of the parties as follows:

City of Beaumont	Name of Licensee: <u>Enterprise Beaumont Marine West, L.P.</u>
P.O. Box 3827 Beaumont, Texas 77704	Address of Licensee: <u>1100 Louisiana Street, Attn: Marc Tausend</u>
Attn: City Manager	City and State of Licensee: <u>Houston, Texas 77002</u>

Upon cancellation, the pipeline shall be removed and property restored to a condition acceptable to the City Engineer. In the event of cancellation, any and all monies collected for fees associated with this agreement will remain the property of the City. There will be no reimbursements.

Commencement of work on the pipeline by Licensee after the date of this fully executed license shall be construed as evidence of Licensee's acceptance and approval of the conditions above set forth.

IN WITNESS WHEREOF, the City of Beaumont, Texas, has caused these presents to be signed by its City Manager and the seal of the City to be herewith affixed by the City Clerk, this ____ day of _____, A.D. 20____.

CITY OF BEAUMONT, TEXAS

By: _____
Kyle Hayes, City Manager

ATTEST:

City Clerk

APPLICANT'S COMPANY NAME:
(Licensee)

Enterprise Beaumont Marine West, L.P.

Represented by:

Marc D. Tausend

Marc D. Tausend, as Agent and Attorney-in-Fact
Title

ATTEST:

By: _____
Secretary



ADDITIONAL REMARKS SCHEDULE

AGENCY Aon Risk Services Southwest, Inc.		NAMED INSURED Enterprise Beaumont Marine West, L.P.	
POLICY NUMBER See Certificate Number: 570057465889			
CARRIER See Certificate Number: 570057465889	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

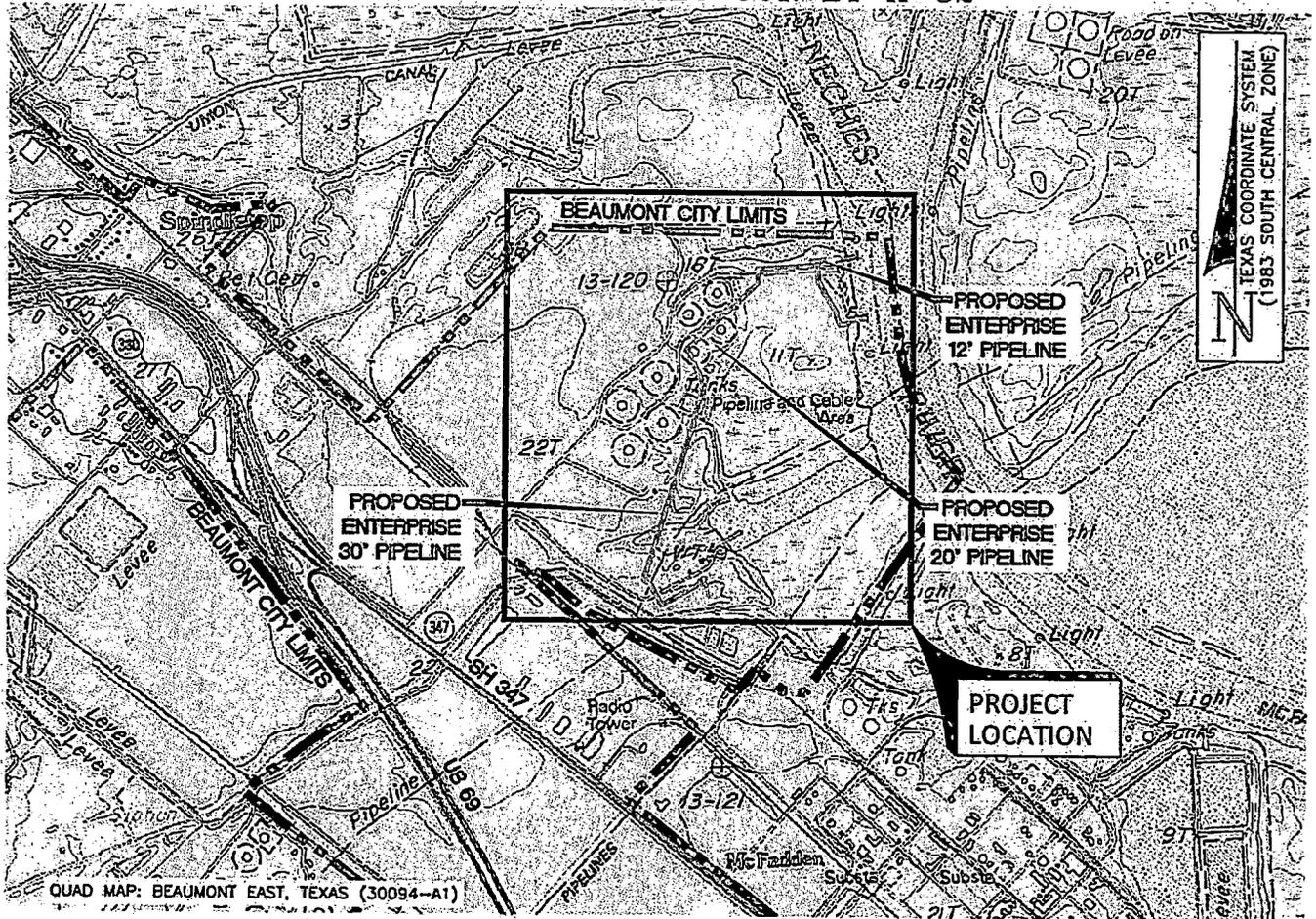
THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	AUTOMOBILE LIABILITY							
A				CA 480-70-21	04/18/2015	04/18/2016	Combined Single Limi	\$1,000,000

**JEFFERSON COUNTY, TEXAS
PELHAM HUMPHRIES SURVEY A-32**



QUAD MAP: BEAUMONT EAST, TEXAS (30094-A1)

VICINITY MAP
GRAPHIC SCALE



NOTE:
ALL BEARINGS AND COORDINATES REFER TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 SOUTH CENTRAL ZONE US SURVEY FOOT AS DERIVED FROM A GLOBAL POSITIONING SYSTEM (GPS) STATIC SURVEY. DISTANCES SHOWN HEREIN ARE BASED ON GRID.

NO.	DATE	REV. BY:	REVISION

ENTERPRISE BEAUMONT MARINE WEST, L.P.

VICINITY MAP
PROPOSED 30", 20" & 12" ENTERPRISE PIPELINE
INSIDE THE
CITY LIMITS OF BEAUMONT
JEFFERSON COUNTY, TEXAS

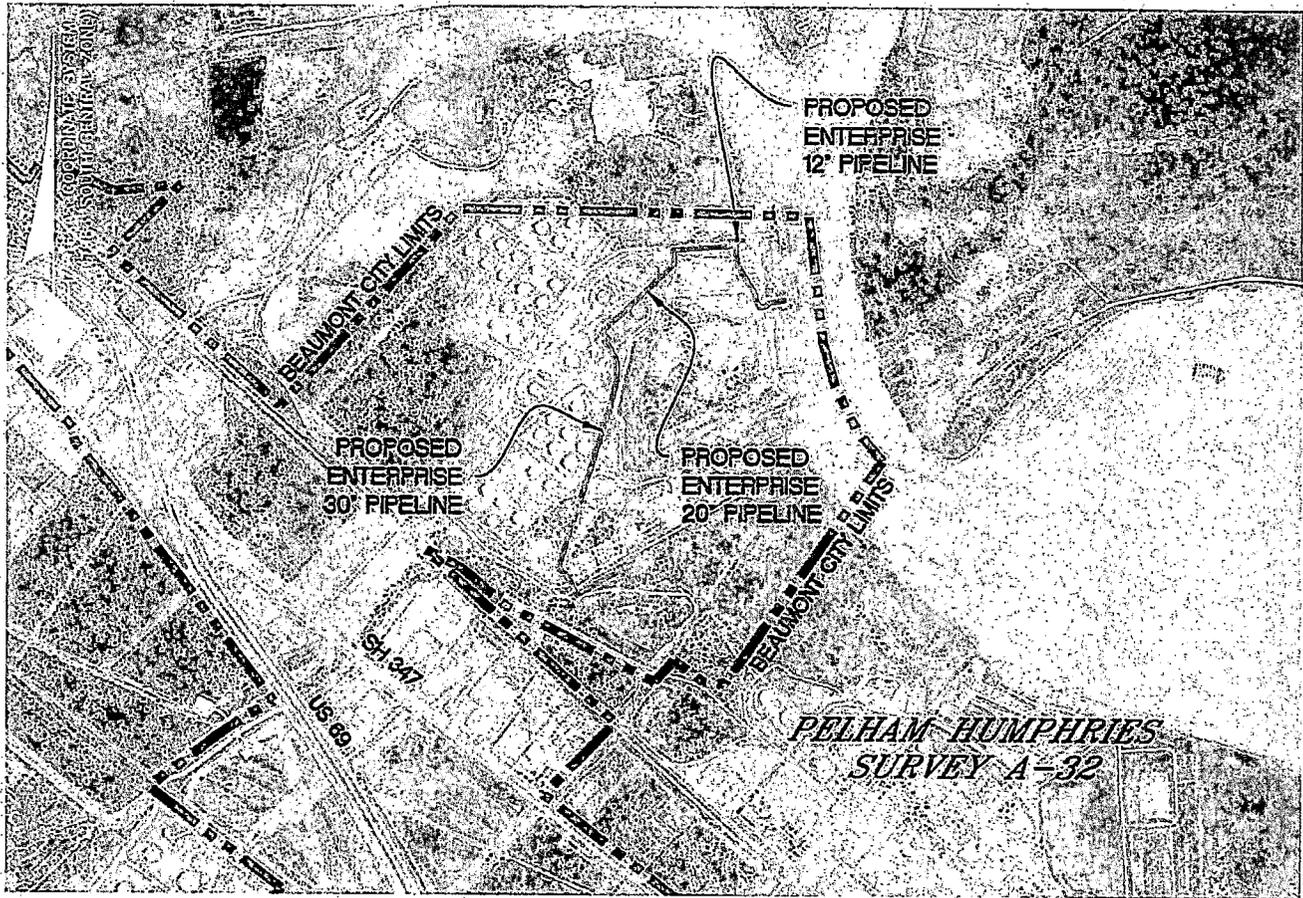


Morris P. Hebert, Inc.

SURVEYING • ENGINEERING • ENVIRONMENTAL SERVICES • FIELD SERVICES • GIS
1540 UNIVERSAL CITY BLVD • UNIVERSAL CITY, TEXAS 78148 • (210) 366-9350
FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 1 OF 7
CHKD./APPD. BY: JH	SCALE: 1" = 2000'
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

JEFFERSON COUNTY, TEXAS
 PELHAM HUMPHRIES SURVEY A-32



AN ON-THE-GROUND EFFORT HAS BEEN MADE TO LOCATE AND INDICATE ALL BELOW GROUND FERROUS METAL CABLES, PIPELINES, UTILITIES, ETC. CROSSED BY THE PROPOSED PROJECT; HOWEVER DUE TO THE INHERENT LIMITATIONS OF ELECTRONIC MAGNETIC LOCATING EQUIPMENT, MORRIS P. HEBERT, INC. IS NOT RESPONSIBLE FOR ANY CABLES, PIPELINES, UTILITIES OR ANY OTHER BELOW GROUND STRUCTURES (INCLUDING PVC) NOT LOCATED DURING THE COURSE OF THE SURVEY.



NOTE:
 ALL BEARINGS AND COORDINATES REFER TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 SOUTH CENTRAL ZONE US SURVEY FOOT AS DERIVED FROM A GLOBAL POSITIONING SYSTEM (GPS) STATIC SURVEY. DISTANCES SHOWN HEREIN ARE BASED ON GRID.

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

PLAN
 PROPOSED 30", 20" & 12" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS

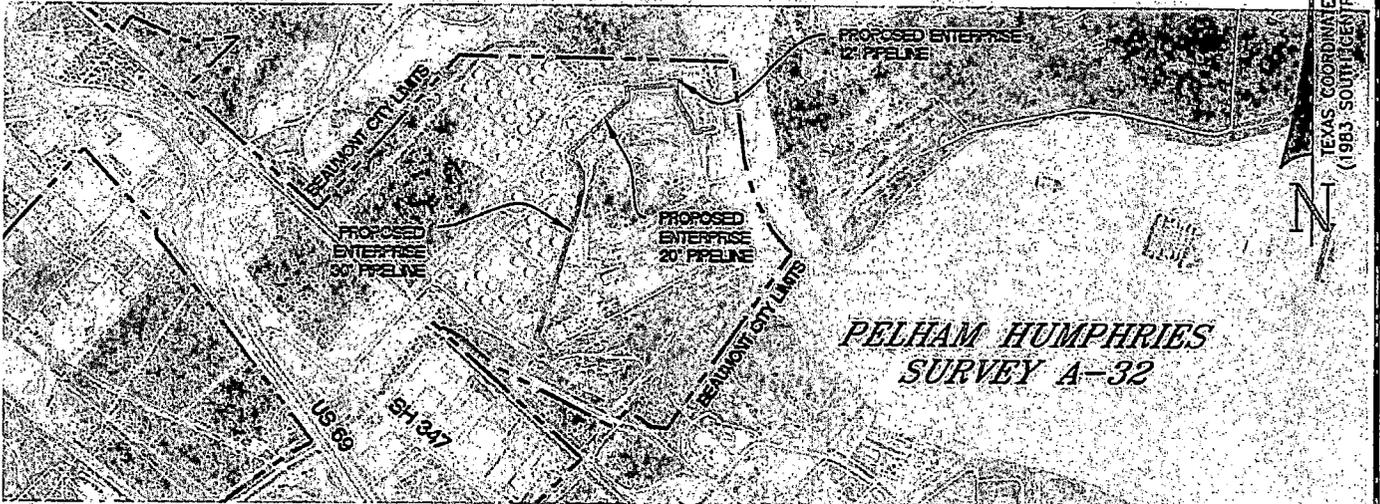


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 FIRM REGISTRATION NO. 10193717

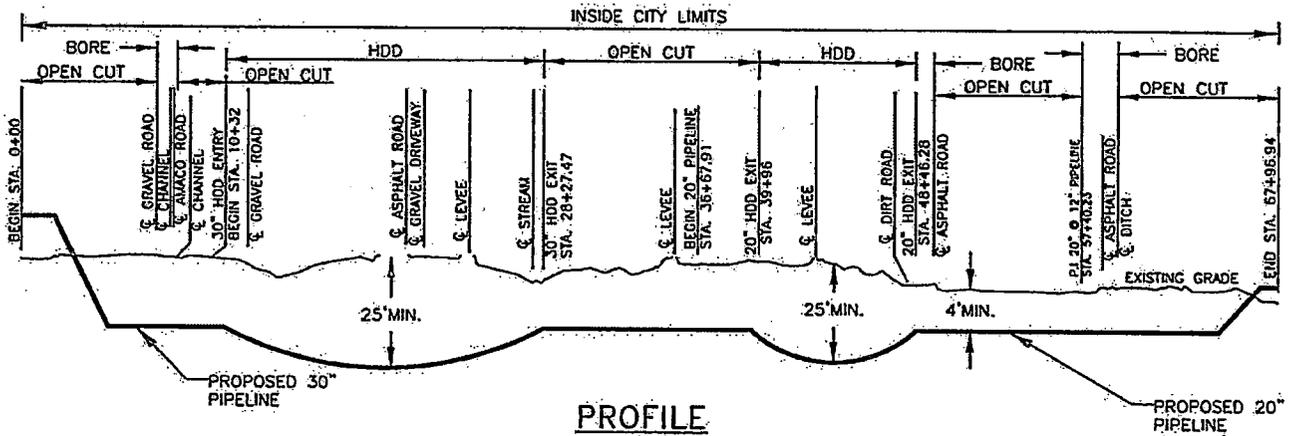
DRAWN BY: RL	SHEET: 2 OF 7
CHKD./APPD. BY: JH	SCALE: 1" = 2000'
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

JEFFERSON COUNTY, TEXAS
 PELHAM HUMPHRIES SURVEY A-32

TEXAS COORDINATE SYSTEM
 (1983 SOUTH CENTRAL ZONE)



PLAN
 N.T.S.



PROFILE
 N.T.S.

NO.	DATE	REV. BY:	REVISION

ENTERPRISE BEAUMONT MARINE WEST, L.P.

DETAILED PLAN & PROFILE
 PROPOSED 30" & 20" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS



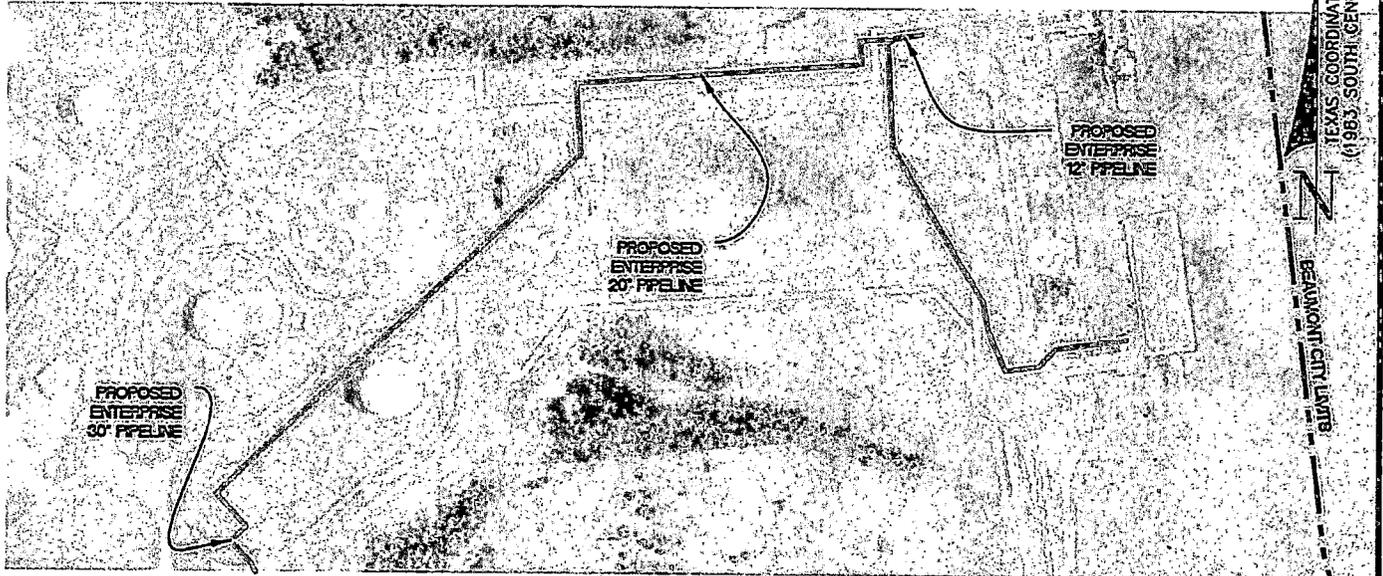
Morris P. Hebert, Inc.

SURVEYING • ENGINEERING • ENVIRONMENTAL SERVICES • FIELD SERVICES • GIS
 1540 UNIVERSAL CITY BLVD • UNIVERSAL CITY, TEXAS 78148 • (210) 366-9350
 FIRM REGISTRATION NO. 10193717

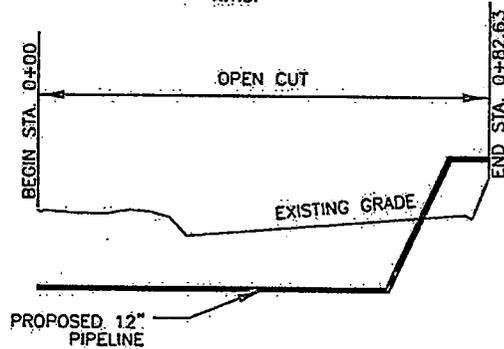
DRAWN BY: RL	SHEET: 3 OF 7
CHKD./APPD. BY: JH	SCALE: NONE
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

JEFFERSON COUNTY, TEXAS
 PELHAM HUMPRIES SURVEY A-32

TEXAS COORDINATE SYSTEM
 (1983 SOUTH CENTRAL ZONE)



PLAN
 N.T.S.



PROFILE
 N.T.S.

NO.	DATE	REV. BY:	REVISION

ENTERPRISE BEAUMONT MARINE WEST, L.P.

DETAILED PLAN & PROFILE
 PROPOSED 12" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS



Morris P. Hebert, Inc.

SURVEYING • ENGINEERING • ENVIRONMENTAL SERVICES • FIELD SERVICES • GIS
 1540 UNIVERSAL CITY BLVD • UNIVERSAL CITY, TEXAS 78148 • (210) 366-9350
 FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 4 OF 7
CHKD./APPD. BY: JH	SCALE: NONE
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

PROPOSED 30" PIPELINE DATA

1.0 GENERAL INFORMATION

- 1.1 APPLICANT/OWNER: ENTERPRISE BEAUMONT MARINE WEST, L.P.
- 1.2 PIPELINE NAME: PROPOSED 30" ULTRA LOW SULPHUR DIESEL (ULSD) PIPELINE
- 1.3 PRODUCT: DIESEL
- 1.4 PROPOSED CONSTRUCTION ACTIVITIES SCHEDULED FOR JUNE 2015 THROUGH OCTOBER OF 2015

2.0 PIPELINE DESIGN DATA

- 2.1 DESIGN CODES: THE DEPARTMENT OF TRANSPORTATION ("DOT") STANDARD CFR TITLE 49, PART 195, "TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE" AND THE RAILROAD COMMISSION PIPELINE SAFETY RULES AND ASME B31.4
- 2.2 DESIGN PRESSURE: 1480 PSIG
- 2.3 HYDROSTATIC TEST PRESSURE: 1850 PSIG MIN. 2220 PSIG MAX.
- 2.4 DESIGN FACTOR: 0.6 (HDD & BORE) TO 0.72 (OPEN CUT)

3.0 CATHODIC PROTECTION

- 3.1 RECTIFIER IMPRESSED CURRENT

4.0 CONSTRUCTION METHOD

- 4.1 PIPELINE WILL BE INSTALLED BY HORIZONTAL DIRECTIONAL DRILL OR CONVENTIONAL BORE OR OPEN CUT.

5.0 OPEN CUT AND/OR BORE AND/OR HDD LINE PIPE

- 5.1 OUTSIDE DIAMETER: 30"
- 5.2 WALL THICKNESS: 0.500" for OPEN CUT & 0.619" for BORE & HDD
- 5.3 PIPE SPECIFICATION: API 5L
- 5.4 SPECIFIED MINIMUM YIELD STRENGTH: X70 - 70,000 PSI for OPEN CUT, BORE & HDD
- 5.5 MATERIAL: CARBON STEEL
- 5.6 PROCESS OF MANUFACTURE: HFW
- 5.7 EXTERIOR COATING: 14 TO 16 MILS FUSION BONDED EPOXY (FBE) & 30 TO 40 MILS ABRASION RESISTANT OVERLAY (ARO)

NO.	DATE	REV. BY:	REVISION

ENTERPRISE BEAUMONT MARINE WEST, L.P.

PIPELINE DESIGN DATA
 PROPOSED 30" ENTERPRISE PIPELINE
 INSIDE THE
 CITY LIMITS OF BEAUMONT
 JEFFERSON COUNTY, TEXAS



Morris P. Hebert, Inc.
 SURVEYING • ENGINEERING • ENVIRONMENTAL SERVICES • FIELD SERVICES • GIS
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 FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 5 OF 7
CHKD./APPD. BY: JH	SCALE: AS SHOWN
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

PROPOSED 20" PIPELINE DATA

1.0 GENERAL INFORMATION

- 1.1 APPLICANT/OWNER: ENTERPRISE BEAUMONT MARINE WEST, L.P.
- 1.2 PIPELINE NAME: PROPOSED 20" ULTRA LOW SULPHUR DIESEL (ULSD) PIPELINE
- 1.3 PRODUCT: DIESEL
- 1.4 PROPOSED CONSTRUCTION ACTIVITIES SCHEDULED FOR JUNE 2015 THROUGH OCTOBER OF 2015

2.0 PIPELINE DESIGN DATA

- 2.1 DESIGN CODES: THE DEPARTMENT OF TRANSPORTATION ("DOT") STANDARD CFR TITLE 49, PART 195, "TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE" AND THE RAILROAD COMMISSION PIPELINE SAFETY RULES AND ASME B31.4
- 2.2 DESIGN PRESSURE: 1480 PSIG
- 2.3 HYDROSTATIC TEST PRESSURE: 1850 PSIG MIN. 2220 PSIG MAX.
- 2.4 DESIGN FACTOR: 0.6 (HDD & BORE) TO 0.72 (OPEN CUT)

3.0 CATHODIC PROTECTION

- 3.1 RECTIFIER IMPRESSED CURRENT

4.0 CONSTRUCTION METHOD

- 4.1 PIPELINE WILL BE INSTALLED BY HORIZONTAL DIRECTIONAL DRILL OR CONVENTIONAL BORE OR OPEN CUT.

5.0 OPEN CUT AND/OR BORE AND/OR HDD LINE PIPE

- 5.1 OUTSIDE DIAMETER: 20"
- 5.2 WALL THICKNESS: 0.500" for OPEN CUT & 0.619" for BORE & HDD
- 5.3 PIPE SPECIFICATION: API 5L
- 5.4 SPECIFIED MINIMUM YIELD STRENGTH: X70 - 70,000 PSI for OPEN CUT, BORE & HDD
- 5.5 MATERIAL: STEEL
- 5.6 PROCESS OF MANUFACTURE: HFW
- 5.7 EXTERIOR COATING: 14 TO 16 MILS FUSION BONDED EPOXY (FBE) & 30 TO 40 MILS ABRASION RESISTANT OVERLAY (ARO)

NO.	DATE	REV. BY:	REVISION
ENTERPRISE BEAUMONT MARINE WEST, L.P.			
PIPELINE DESIGN DATA PROPOSED 20" ENTERPRISE PIPELINE INSIDE THE CITY LIMITS OF BEAUMONT JEFFERSON COUNTY, TEXAS			
 Morris P. Hebert, Inc. SURVEYING • ENGINEERING • ENVIRONMENTAL SERVICES • FIELD SERVICES • GIS 1540 UNIVERSAL CITY BLVD • UNIVERSAL CITY, TEXAS 78148 • (210) 366-9350 FIRM REGISTRATION NO. 10193717		DRAWN BY: RL	SHEET: 6 OF 7
		CHKD./APPD. BY: JH	SCALE: AS SHOWN
		UPDATED BY:	DATE: 06/15/15
		DATA BASE: 12202	JOB NO. 12202
		MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

PROPOSED 12" PIPELINE DATA

1.0 GENERAL INFORMATION

- 1.1 APPLICANT/OWNER: ENTERPRISE BEAUMONT MARINE WEST, L.P.
- 1.2 PIPELINE NAME: PROPOSED 12" ULTRA LOW SULPHUR DIESEL (ULSD) PIPELINE
- 1.3 PRODUCT: DIESEL
- 1.4 PROPOSED CONSTRUCTION ACTIVITIES SCHEDULED FOR JUNE 2015 THROUGH OCTOBER OF 2015

2.0 PIPELINE DESIGN DATA

- 2.1 DESIGN CODES: THE DEPARTMENT OF TRANSPORTATION ("DOT") STANDARD CFR TITLE 49, PART 195, "TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE" AND THE RAILROAD COMMISSION PIPELINE SAFETY RULES AND ASME B31.4
- 2.2 DESIGN PRESSURE: 1480 PSIG
- 2.3 HYDROSTATIC TEST PRESSURE: 1850 PSIG MIN. 2220 PSIG MAX.
- 2.4 DESIGN FACTOR: 0.5

3.0 CATHODIC PROTECTION

- 3.1 RECTIFIER IMPRESSED CURRENT

4.0 CONSTRUCTION METHOD

- 4.1 N/A

5.0 ABOVE GROUND FACILITY CONSTRUCTION

- 5.1 OUTSIDE DIAMETER: 12"
- 5.2 WALL THICKNESS: 0.375"
- 5.3 PIPE SPECIFICATION: API 5L
- 5.4 SPECIFIED MINIMUM YIELD STRENGTH: X60 - 60,000 PSI
- 5.5 MATERIAL: STEEL
- 5.6 PROCESS OF MANUFACTURE: HFW
- 5.7 EXTERIOR COATING: PAINT

NO.	DATE	REV. BY:	REVISION
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ENTERPRISE BEAUMONT MARINE WEST, L.P.

PIPELINE DESIGN DATA
PROPOSED 12" ENTERPRISE PIPELINE
INSIDE THE
CITY LIMITS OF BEAUMONT
JEFFERSON COUNTY, TEXAS



Morris P. Hebert, Inc.
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FIRM REGISTRATION NO. 10193717

DRAWN BY: RL	SHEET: 7 OF 7
CHKD./APPD. BY: JH	SCALE: AS SHOWN
UPDATED BY:	DATE: 06/15/15
DATA BASE: 12202	JOB NO. 12202
MPH CAD FILE: 12202 CITY OF BEAUMONT LINE B.DWG	

BEAUMONT

— T E X A S —

REGULAR MEETING OF THE CITY COUNCIL COUNCIL CHAMBERS JULY 21, 2015 1:30 P.M.

AGENDA

CALL TO ORDER

- * Invocation Pledge Roll Call
- * Presentations and Recognition
- * Public Comment: Persons may speak on scheduled agenda items 1-6/Consent Agenda
- * Consent Agenda

GENERAL BUSINESS

1. Consider amending Section 2.03.075 of the Code of Ordinances to add one Assistant Chief position and delete one Officer position within the Beaumont Police Department
2. Consider a resolution approving an annual contract for the purchase of aluminum sulfate from Brenntag Southwest, Inc., of Houston for use by the Water Utilities Department
3. Consider a resolution approving the award of a contract for collection services to Municipal Services Bureau of Austin
4. Consider a resolution approving the award of a contract to McCreary, Veselka, Bragg and Allen of Round Rock for collection services related to Municipal Court
5. Consider approving an agreement with BKD, LLP, of Houston, for auditing services
6. Consider a resolution approving a lease between the City of Beaumont and Tyrrell Park Stables LLC of Beaumont for the Tyrrell Park stables and associated pastures

COMMENTS

- * Councilmembers/City Manager comment on various matters
- * Public Comment (Persons are limited to 3 minutes)

EXECUTIVE SESSION

- * Consider matters related to contemplated or pending litigation in accordance with Section 551.071 of the Government Code:

City of Beaumont and Beaumont Transit Company vs. Payne's Wrecker Service, Inc. d/b/a Payne & Sons Body Shop & Wrecker and Russell Huff

Bob Shaw d/b/a Bob Shaw Consulting Engineers v. The City of Beaumont;
No. B-195,144

Cathy Taylor vs. City of Beaumont; Cause No. 123,753

Claim of FiberLight, LLC

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact Mitchell Normand at 880-3777 three days prior to the meeting.

July 21, 2015

Consider amending Section 2.03.075 of the Code of Ordinances to add one Assistant Chief position and delete one Officer position within the Beaumont Police Department

BEAUMONT

— T E X A S —

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: James P. Singletary, Chief of Police

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider amending Section 2.03.075 of the Code of Ordinances to add one Assistant Chief position and delete one Officer position within the Beaumont Police Department.

BACKGROUND

Prior to 2012, the Police Department operated with three Captains and without an Assistant Chief. Chief Singletary added one assistant chief position, and later, removed a captain position. Currently, the department is operating with one assistant chief and two captains. Chief Singletary, in an effort to further restructure the command staff of the department, is requesting to remove one currently vacant Grade I Officer position and add a second Grade V Assistant Chief.

FUNDING SOURCE

Funds are available in the Police Department budget.

RECOMMENDATION

Approval of amending the ordinance.

ORDINANCE NO.

ENTITLED AN ORDINANCE AMENDING SECTION 2.03.075 OF THE CODE OF ORDINANCES BY DECREASING THE NUMBER OF GRADE 1 OFFICER POSITIONS FROM ONE HUNDRED NINETY-NINE (199) TO ONE-HUNDRED NINETY-EIGHT (198) AND ADDING THE NUMBER OF GRADE V ASSISTANT CHIEF POSITIONS IN THE BEAUMONT POLICE DEPARTMENT FROM ONE (1) TO TWO (2); PROVIDING FOR SEVERABILITY AND PROVIDING FOR REPEAL.

Section 1.

That Chapter 21, Section 2.03.075, of the Code of Ordinances of the City of Beaumont be and the same is hereby amended to decrease the number of Grade I Officer positions in the Beaumont Police Department from one hundred ninety-nine (199) to one hundred ninety-eight (198) and increase the number of Grade V Assistant Chief positions in the Beaumont Police Department from one (1) to two (2).

Section 2.

That if any section, subsection, sentence, clause or phrase of this ordinance, or the application of same to a particular set of persons or circumstances, should for any reason be held to be invalid, such invalidity shall not affect the remaining portions of this ordinance and, to such end, the various portions and provisions of this ordinance are declared to be severable.

Section 3.

All ordinance or parts of ordinances in conflict herewith, including conflicting portions of the City Budget, are repealed to the extent of the conflict only.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of
July, 2015.

- Mayor Becky Ames -

July 21, 2015

Consider a resolution approving an annual contract for the purchase of aluminum sulfate from Brenntag Southwest, Inc., of Houston for use by the Water Utilities Department

BEAUMONT

TEXAS

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer 

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution approving an annual contract for the purchase of aluminum sulfate from Brenntag Southwest, Inc., of Houston in the estimated amount of \$444,440 for use by the Water Utilities Department.

BACKGROUND

Bids were requested for an annual contract to provide aluminum sulfate, which is used to clarify and purify the City's water supply.

Due to changing water conditions the Water Utilities Department requested pricing for aluminum sulfate and aluminum sulfate modified with the addition of copper sulfate at two percent (2%) concentration. The addition of copper sulfate reduces the build up of algae within the plant clarifiers and improves the general taste of the water. While it is anticipated that only the copper sulfate enhanced product will be used, the structure of the bid allows the water plant to order the specific concentration of materials as needed.

Five (5) vendors were solicited; five (5) responded. Brenntag Southwest, Inc., of Houston was the low bid. They have been a provider of this material and have satisfactorily serviced this contract in prior years. There are no local vendors providing this material. The estimated total price above represents the anticipated requirement for 2,000 dry tons of the copper sulfate enhanced material. The bid price of \$222.22 per ton is a decrease of approximately \$1.32 below the current contract price.

FUNDING SOURCE

Water Utilities Fund.

RECOMMENDATION

Approval of resolution.



**CITY OF BEAUMONT, BEAUMONT, TEXAS
PURCHASING DIVISION BID TABULATION**

Bid Name: Annual Contract for Water Treatment Chemical - Aluminum Sulfate
Bid Number: BF0616-32
Bid Opening: Thursday, July 09, 2015

Contact Person: Robert (Bob) Hollar, Buyer II
rhollar@ci.beaumont.tx.us
 Phone: 409-880-3758

Vendor		Chemtrade	Brenntag SW	UNIVAR	Affinity Chem	GEO Spec Chem	
City / State		Parsippany NJ	Houston	HOUSTON	Flanders, NJ	Little Rock AR	
Phone or Fax No.		(800) 631-8050	(713) 330-8570		(973) 668-4224	(501) 888-1211	
ITEM	DESCRIPTION	QTY	Price/DryTon	Price/DryTon	Price/DryTon	Price/DryTon	
1	Aluminum Sulfate	0	\$ 312.00	\$ 189.00	NO BID	\$ 299.00	\$ 175.00
2	Aluminum Sulfate-2%CuSO4	2000	\$ 441.00	\$ 222.22	NO BID	NO BID	NO BID
Est.annual cost: 2% CuSO4 ENHANCED ONLY			\$ 882,000.00	\$ 444,440.00	\$ -	\$ -	\$ -

Total Anticipated annual requirement: 2,000 DT
 No Response: Southern Ionics, Altviva, SW Engineering

RESOLUTION NO.

WHEREAS, bids were solicited for an annual contract for the purchase of Aluminum Sulfate for use by the Water Utilities Department; and,

WHEREAS, Brenntag Southwest, Inc., of Houston, Texas, submitted a bid for an estimated amount of \$444,440 as shown below:

Quantity	Description	Price/Ton
0	Aluminum Sulfate	\$ 189.00
2000	Aluminum Sulfate-2%CuSO ₄	\$222.22
Estimated Annual cost: 2% CuSo4 Enhanced Only		\$444,440.00

;and,

WHEREAS, City Council is of the opinion that the bid submitted by Brenntag Southwest, Inc., of Houston, Texas, should be accepted;

NOW, THEREFORE, BE IT RESOLVED BY THE
CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the bid submitted by Brenntag Southwest, Inc., of Houston, Texas, for an annual contract for the purchase of Aluminum Sulfate for use by the Water Utilities Department in the unit amounts as shown above for an estimated amount of \$444,440 be accepted by the City of Beaumont; and,

BE IT FURTHER RESOLVED THAT the City Manager be and he is hereby authorized to execute a contract with Brenntag Southwest, Inc., of Houston, Texas, for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of
July, 2015.

- Mayor Becky Ames -

July 21, 2015

Consider a resolution approving the award of a contract for collection services to Municipal Services Bureau of Austin



TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution approving the award of a contract for collection services to Municipal Services Bureau of Austin.

BACKGROUND

The City of Beaumont's Central Collections Division of the Finance Department is responsible for central cashier services, billing, and collection services. The division is responsible for billing EMS runs to insurance companies, Medicare, Medicaid and individuals (self-pay) and pursuing the collections of the related payments. In addition, the division is responsible for billing and collecting miscellaneous receivables. Customers are billed at the time of service with subsequent statements sent at 30, 60, and 90 day intervals. Once the City has exhausted all collection efforts, accounts are sent to the contracted collection agency. Accounts are typically turned over to the collection agency once they are at least 90 days delinquent. During the fiscal year ended September 30, 2014, the City accrued \$2,872,223 in delinquent accounts.

Requests for Proposal were sent to nineteen (19) vendors. The City received five (5) responses. The responses were evaluated by City staff and the best score was received by Municipal Services Bureau (MSB) for Central Collections. MSB will charge the City seventeen percent (17%) for their services. The contract is for one (1) year with two (2) one year options to renew. The contract was previously held by Professional Finance Company with a commission rate of twenty percent (20%).

FUNDING SOURCE

MSB will charge seventeen percent (17%) of funds actually collected by their efforts.

RECOMMENDATION

Approval of resolution.

RFP Number: PF1015-02
 RFP Name: Collection Services
 RFP Opening Date: January 29, 2015

Collection Services for Central Collections

Criteria Description	Maximum Points	Vendor	Vendor	Vendor	Vendor	Vendor
		McCreary, Veselka, Bragg & Allen Round Rock, TX.	NRA Group LLC Harrisburg, PA.	Penn Credit Corp Harrisburg, PA.	Linebarger, Goggan, Blair & Sampson Beaumont, TX.	Municipal Services Bureau Austin, TX.
Scope of Services	40	34	31	32	27	37
Demonstrated Experience	30	27	18	16	21	29
Cost of Services/Cost Effectiveness	30	27	22	30	14	27
Total Points	100	88	71	78	62	93

RESOLUTION NO.

WHEREAS, proposals were received for a contract for collection services of delinquent Central Collections fees, said contract to be for one (1) year with the possibility of two (2) one (1) year renewals; and,

WHEREAS, the proposal of Gila, LLC, d/b/a Municipal Services Bureau, of Austin, Texas, scored highest after evaluation by City staff for delinquent fee collections for Central Collections, as shown in Exhibit "A" attached hereto; and,

WHEREAS, City Council is of the opinion that the proposals submitted by Gila, LLC, d/b/a Municipal Services Bureau, of Austin, Texas

NOW, THEREFORE, BE IT RESOLVED BY THE
CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the proposal submitted by Gila, LLC, d/b/a Municipal Services Bureau, of Austin, Texas, for a one (1) year contract for collection services of delinquent Central Collections fees, with two (2) one (1) year renewal options, as shown on Exhibit "A" attached hereto, be accepted by the City of Beaumont; and,

BE IT ALSO RESOLVED THAT the City Manager be and he is hereby authorized to execute a contract with Gila, LLC, d/b/a Municipal Services Bureau, of Austin, Texas, for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

RFP Number: PF1015-02
 RFP Name: Collection Services
 RFP Opening Date: January 29, 2015

Collection Services for Central Collections

Criteria Description	Maximum Points	Vendor	Vendor	Vendor	Vendor	Vendor
		McCreary, Veselka, Bragg & Allen Round Rock, TX.	NRA Group LLC Harrisburg, PA.	Penn Credit Corp Harrisburg, PA.	Linebarger, Goggan, Blair & Sampson Beaumont, TX.	Municipal Services Bureau Austin, TX.
Scope of Services	40	34	31	32	27	37
Demonstrated Experience	30	27	18	16	21	29
Cost of Services/Cost Effectiveness	30	27	22	30	14	27
Total Points	100	88	71	78	62	93

July 21, 2015

Consider a resolution approving the award of a contract to McCreary, Veselka, Bragg and Allen of Round Rock for collection services related to Municipal Court

BEAUMONT

TEXAS

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution approving the award of a contract to McCreary, Veselka, Bragg and Allen of Round Rock for collection services related to Municipal Court.

BACKGROUND

Among other court-related functions, the Municipal Court Division of the Finance Department processes payments of fines, processes overdue notices of outstanding fines, establishes payments plans, and processes warrants issued for non-payment of outstanding fines. An overdue account goes into warrant status at 30 days past due and is turned over to a collection agency at 60 days past due. A statutory collection fee of 30% is attached to the amount past due and is paid by the defendant upon payment of the past due fine. Municipal Court's current collection agency is Linebarger, Goggan, Blair, & Sampson.

Requests for Proposal were sent to nineteen (19) vendors. The City received five (5) responses. The responses were evaluated by City staff and the highest score was received by McCreary, Veselka, Bragg and Allen (MVBA). MVBA will charge the statutory amount of 30%. Each contract is for one (1) year with two (2) one year options to renew.

FUNDING SOURCE

The statutory collection fee is paid by the defendant.

RECOMMENDATION

Approval of resolution.

RESOLUTION NO.

WHEREAS, proposals were received for a contract for collection services of delinquent Municipal Court fines and fees, said contract to be for one (1) year with the possibility of two (2) one (1) year renewals; and,

WHEREAS, the proposal of McCreary, Veselka, Bragg and Allen, P.C., of Round Rock, Texas, scored highest after evaluation by City staff for delinquent fine and fee collections for Municipal Court, as shown in Exhibit "A" attached hereto; and,

WHEREAS, City Council is of the opinion that the proposals submitted by McCreary, Veselka, Bragg and Allen, P.C., of Round Rock, Texas, should be accepted;

NOW, THEREFORE, BE IT RESOLVED BY THE
CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the proposal submitted by McCreary, Veselka, Bragg and Allen, P.C., of Round Rock, Texas, for a one (1) year contract for collection services of delinquent Municipal Court fines and fees, with two (2) one (1) year renewal options, as shown on Exhibit "A" attached hereto, be accepted by the City of Beaumont; and,

BE IT ALSO RESOLVED THAT the City Manager be and he is hereby authorized to execute a contract with McCreary, Veselka, Bragg and Allen, P.C., of Round Rock, Texas, for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

RFP Number: PF1015-02
 RFP Name: Collection Services
 RFP Opening Date: January 29, 2015

Collection Services for Municipal Court

Criteria Description	Maximum Points	Vendor	Vendor	Vendor	Vendor	Vendor
		McCreary, Veselka, Bragg & Allen Round Rock, TX.	NRA Group LLC Harrisburg, PA. *	Penn Credit Corp Harrisburg, PA.	Linebarger, Goggan, Blair & Sampson Beaumont, TX.	Municipal Services Bureau Austin, TX.
Scope of Services	40	37	N/A	35	37	35
Demonstrated Experience	30	29	N/A	20	27	24
Cost of Services/Cost Effectiveness	30	30	N/A	25	25	25
Total Points	100	96	N/A	80	89	84

* NRA Group does not collect for Municipal Courts at this time.

July 21, 2015

Consider approving an agreement with BKD, LLP, of Houston, for auditing services

BEAUMONT

— T E X A S —

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer 

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider approving an agreement with BKD, LLP, of Houston, for auditing services.

BACKGROUND

The Beaumont City Charter states “no auditor or firm of auditors shall serve as auditor for the City of Beaumont for more than four (4) consecutive years.” Whitley Penn, PC audited the fiscal year 2014 financial statements, which was the fourth and final year of their agreement. City staff solicited, reviewed, and analyzed responses to requests for proposal (RFP) from four (4) accounting firms. Proposals were evaluated based upon three sets of criteria: mandatory elements, technical qualifications, and price. BKD met the criteria as set forth in the RFP to serve as auditor. Audit services will commence with fiscal year ended September 30, 2015 and may be extended by mutual consent to fiscal years 2016, 2017 and 2018. Interim work is scheduled to begin in August and the audit reports are scheduled to be completed before March 31, 2016.

The evaluation is attached.

FUNDING SOURCE

The contract amount including expenses will not be greater than \$75,000 for the first year. Funds will be available in the Finance Department’s FY2016 budget for this expenditure. Fees for the audits of fiscal years 2016, 2017, and 2018 will be \$77,250, \$79,500, and \$82,000, respectively. Whitley Penn was paid \$89,500 for auditing fiscal year 2014.

RECOMMENDATION

Approval of resolution.

City of Beaumont					
Auditing Proposals					
Evaluation Criteria					
Points	Elements	Charles Reed	BKD, LLP	Sanderson Knox & Co	Weaver
		Port Arthur	Houston	Houston	Houston
35 Points	Mandatory Elements	34	34	34	35
35 Points	Technical Qualifications	30	34	24	34
30 Points	Price	23	30	25	20
100	TOTAL	87	98	83	89

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF BEAUMONT:

THAT the firm of BKD, LLP, of Houston, Texas, be and it is hereby designated as the independent auditing firm for the City of Beaumont in the amount of no greater than \$75,000 for the fiscal year ending September 30, 2015 with an option to renew on a year-to-year basis for a period not to exceed three (3) additional years, upon mutual consent of both parties. Fees for the audits of fiscal years 2016, 2017, and 2018 will be \$77,250, \$79,500, and \$82,000, respectively. The agreement is substantially in the form attached hereto as Exhibit "A" and made a part hereof for all purposes; and,

THAT the City Manager be and he is hereby authorized to execute the contract with BKD, LLP for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

SAMPLE ENGAGEMENT LETTER

August 6, 2015

Mayor and
Members of City Council
City Manager
Finance Director
City of XYZ, Texas
7301 NE Loop 820
XYZ, Texas

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide to the City of XYZ, Texas.

ENGAGEMENT OBJECTIVES AND SCOPE

We will audit the basic financial statements of the City of XYZ, Texas as of and for the year ended September 30, 2015, and the related notes to the financial statements.

Our audit will be conducted with the objectives of:

- ✓ Expressing an opinion on the financial statements.
- ✓ Issuing a report on your compliance based on the audit of your financial statements.
- ✓ Issuing a report on your internal control over financial reporting based on the audit of your financial statements.
- ✓ Expressing an opinion on your compliance, in all material respects, with the types of compliance requirements described in the *U. S. Office of Management and Budget Circular A-133 Compliance Supplement* that are applicable to each of your major federal award programs.
- ✓ Issuing a report on your internal control over compliance based on the audit of your compliance with the types of compliance requirements that are applicable to each of your major federal award programs.
- ✓ Issuing a report on your schedule of expenditures of federal awards.

City of XYZ, Texas
August 6, 2015
Page 2

OUR RESPONSIBILITIES

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards require that we plan and perform:

- ✓ The audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- ✓ The audit of compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement applicable to each major federal award program to obtain reasonable rather than absolute assurance about whether noncompliance having a direct and material effect on a major federal award program occurred.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance having a direct and material effect may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, in the future, procedures could become inadequate because of changes in conditions or deterioration in design or operation. Two or more people may also circumvent controls, or management may override the system.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a separate letter to be signed by you and BKD.

Kevin Kemp, partner, is responsible for supervising the engagement and authorizing the signing of the report or reports.

We will issue a written report upon completion of our audit of the City of North Richland Hill's financial statements. Our report will be addressed to the mayor and members of city council of The City of XYZ. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph(s), or withdraw from the engagement. If we discover conditions that may prohibit us from issuing a standard report, we will notify you as well. In such circumstances, further arrangements may be necessary to continue our engagement.

We will also express an opinion on whether the combining financial statements and various budget and actual schedules (supplementary information) are fairly stated, in all material respects, in relation to the financial statements as a whole.

YOUR RESPONSIBILITIES

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- c. for identifying and ensuring compliance with the laws, regulations, contracts and grants applicable to your activities (including your federal award programs); and
- d. to provide us with
 - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
 - ii. additional information that we may request from management for the purpose of the audit; and
 - iii. unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management written confirmation acknowledging certain responsibilities outlined in this engagement letter and confirming:

- The availability of this information
- Certain representations made during the audits for all periods presented

City of XYZ, Texas
August 6, 2015
Page 4

- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures or other engagements that satisfy relevant legal, regulatory or contractual requirements or fully meet other reasonable user needs.

With regard to supplementary information:

- Management is responsible for its preparation in accordance with applicable criteria
- Management will provide certain written representations regarding the supplementary information at the conclusion of our engagement
- Management will include our report on this supplementary information in any document that contains this supplementary information and indicates we have reported on the supplementary information
- Management will make the supplementary information readily available to intended users if it is not presented with the audited financial statements

OTHER SERVICES

We may perform other services for you not covered by this engagement letter. You agree to assume full responsibility for the substantive outcomes of those services, including any findings that may result. You also acknowledge that those services are adequate for your purposes and that you will establish and monitor the performance of those services to ensure that they meet management's objectives. Any and all decisions involving management functions related to those services will be made by you, and you accept full responsibility for such decisions. We understand that you will designate a management-level individual to be responsible and accountable for overseeing the performance of those services, and that you will have determined this individual is qualified to conduct such oversight.

ENGAGEMENT FEES

Our fees will be _____ (_____ for financial statement audit and \$ _____ for Single Audit) which includes an administrative fee to cover items such as copies, postage and other delivery charges, supplies, technology-related costs such as computer processing, software licensing, research and library databases and similar expense items.

Our pricing for this engagement and our fee structure are based upon the expectation that our invoices will be paid promptly. We will issue progress billings during the course of our engagement, and payment of our invoices is due upon receipt. Interest will be charged on any unpaid balance after 30 days at the rate of 10% per annum.

Our engagement fee does not include any time for post-engagement consultation with your personnel or third parties, consent letters and related procedures for the use of our reports in offering documents, inquiries from regulators or testimony or deposition regarding any subpoena. Charges for such services will be billed separately.

Our fees may also increase if our duties or responsibilities are increased by rulemaking of any regulatory body or any additional new accounting or auditing standards. We will consult with you in the event any other regulations or standards are issued that may impact our fees.

If our invoices for this or any other engagement you may have with BKD are not paid within 30 days, we may suspend or terminate our services for this or any other engagement. In the event our work is suspended or terminated as a result of nonpayment, you agree we will not be responsible for any consequences to you.

OTHER ENGAGEMENT MATTERS AND LIMITATIONS

BKD is not acting as your municipal advisor under Section 15B of the *Securities Exchange Act of 1934*, as amended. As such, BKD is not recommending any action to you and does not owe you a fiduciary duty with respect to any information or communications regarding municipal financial products or the issuance of municipal securities. You should discuss such information or communications with any and all internal or external advisors and experts you deem appropriate before acting on any such information or material provided by BKD.

Our workpapers and documentation retained in any form of media for this engagement are the property of BKD. We can be compelled to provide information under legal process. In addition, we may be requested by regulatory or enforcement bodies to make certain workpapers available to them pursuant to authority granted by law or regulation. You agree that we have no legal responsibility to you in the event we provide such documents or information.

To the extent permitted by the laws of the State of Texas, you agree to indemnify and hold harmless BKD and its personnel from any claims, liabilities, costs and expenses relating to our services under this agreement attributable to false or incomplete representations by management, except to the extent determined to have resulted from the intentional or deliberate misconduct of BKD personnel.

To the extent permitted by the laws of the State of Texas, you agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

City of XYZ, Texas
August 6, 2015
Page 6

Either of us may terminate these services at any time. Both of us must agree, in writing, to any future modifications or extensions. If services are terminated, you agree to pay us for time expended to date. If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

SAMPLE

City of XYZ, Texas
August 6, 2015
Page 7

This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on heirs, successors and assigns of you and BKD.

We may from time to time utilize third-party service providers, e.g., domestic software processors or legal counsel, or disclose confidential information about you to third-party service providers in serving your account. We remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information. In the event we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

We will, at our discretion or upon your request, deliver financial or other confidential information to you electronically via email or other mechanism. You recognize and accept the risk involved, particularly in email delivery as the Internet is not necessarily a secure medium of communication as messages can be intercepted and read by those determined to do so.

You agree you will not modify these documents for internal use or for distribution to third parties. You also understand that we may on occasion send you documents marked as draft and understand that those are for your review purpose only, should not be distributed in any way and should be destroyed as soon as possible.

If you intend to include these financial statements and our report in an offering document at some future date, you agree to seek our permission to do so at that time. You agree to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Any time you intend to publish or otherwise reproduce these financial statements and our report and make reference to our firm name in any manner in connection therewith, you agree to provide us with printers' proofs or masters for our review and approval before printing or other reproduction. You will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter.

You agree to notify us if you desire to place these financial statements or our report thereon along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that we have no responsibility as auditors to review information contained in electronic sites.

Any time you intend to reference our firm name in any manner in any published materials, including on an electronic site, you agree to provide us with draft materials for our review and approval before publishing or posting such information.

City of XYZ, Texas
August 6, 2015
Page 8

BKD is a registered limited liability partnership under Missouri law. Under applicable professional standards, partners of **BKD, LLP** have the same responsibilities as do partners in a general accounting and consulting partnership with respect to conformance by themselves and other professionals in BKD with their professional and ethical obligations. However, unlike the partners in a general partnership, the partners in a registered limited liability partnership do not have individual civil liability, directly or indirectly, including by way of indemnification, contribution, assessment or otherwise, for any debts, obligations or liabilities of or chargeable to the registered limited liability partnership or each other, whether arising in tort, contract or otherwise.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities. If the signed copy you return to us is in electronic form, you agree that such copy shall be legally treated as a "duplicate original" of this agreement.

BKD, LLP

Acknowledged and agreed to on behalf of

City of XYZ, Texas

BY _____
, Mayor

DATE _____

BY _____
, City Manager

DATE _____

SAMPLE

July 21, 2015

Consider a resolution approving a lease between the City of Beaumont and Tyrrell Park Stables LLC of Beaumont for the Tyrrell Park stables and associated pastures

BEAUMONT

— T E X A S —

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer 

MEETING DATE: July 21, 2015

REQUESTED ACTION: Council consider a resolution approving a lease between the City of Beaumont and Tyrrell Park Stables, LLC of Beaumont for the Tyrrell Park stables and associated pastures.

BACKGROUND

Requests for Proposal were provided to six (6) vendors to lease the Tyrrell Park Stables including the barn and associated pastures north of the stables road to Downs Road extended. Tyrrell Park Stables, LLC provided the sole response. The facility will be used to board and train horses as well as a venue for riding lessons.

The lease is for one year with three (3) one-year renewals. The monthly lease payment of \$350 is to start thirty (30) days after the move-in date. The vendor will be responsible for all utilities during the term of the contract.

FUNDING SOURCE

Not applicable.

RECOMMENDATION

Approval of resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE

CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to execute a Lease Agreement between the City of Beaumont and Tyrrell Park Stables, LLC, of Beaumont, Texas, for a one (1) year lease, with three (3) annual options to renew for a period of one (1) year, in the monthly amount of \$350, plus utilities, for Tyrrell Park stables and associated pastures to board and train horses as well as provide a venue for riding lessons at Tyrrell Park. The Lease Agreement is substantially in the form attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 21st day of July, 2015.

- Mayor Becky Ames -

State of Texas §

County of Jefferson §

Lease Agreement

THIS AGREEMENT is made and entered into this day by and between the City of Beaumont, a municipal corporation of the State of Texas (herein referred to as "City") and Tyrrell Park Stables, LLC (herein referred to as "Tenant"), for the lease of property within Tyrrell Park in Beaumont, Texas and being described in Exhibit "A" attached (herein referred to as "Property").

WHEREAS, City has right, title and interest in and to the facilities and privileges hereinafter granted, and has full power and authority to enter into this Agreement in respect thereof; and

WHEREAS, Tenant wishes to lease Property for an equestrian-oriented operation for the benefit of the citizens of Beaumont and Southeast Texas.

NOW, THEREFORE, in consideration of the mutual covenants and considerations herein contained, City lets and demises to Tenant and Tenant takes from City the Property and all described rights incident thereto, subject to the following:

Article 1

TERM OF AGREEMENT

- 1.1 The primary term of this Agreement shall be one (1) year, commencing on _____ and shall terminate on _____, if not sooner terminated as herein provided.
- 1.2 Upon expiration of the primary term, the City Manager or his designee may extend this Agreement for three (3) additional one (1) year periods by Agreement of both the City and Tenant.
- 1.3 If Tenant holds over and continues in possession of Property after the expiration of the term of this lease, or any extension of that term, Tenant will be deemed to be occupying the Property on the basis of a month-to-month tenancy, subject to all of the terms and conditions of this lease.
- 1.4 Tenant agrees that upon expiration of the primary term or any extension of this Agreement or sooner cancellation thereof, the Property will be delivered to City in good

condition, reasonable wear and tear excepted.

Article 2
RENTAL AND UTILITY PAYMENTS

- 2.1 During the primary term of this Agreement, Tenant shall make monthly rental payments to City in the amount of \$ 350.00 as consideration of its interest in the lease. Said payments shall commence thirty (30) days after the execution of this lease Agreement.
- 2.2 Rental payments shall be made by Tenant on or before the fifth (5th) day of each month. Failure of Tenant to make prompt and timely rental payments may be cause for contract termination.
- 2.3 Utility payments shall be invoiced and paid with the next rental payment.

Article 3
OBJECTIVES AND PURPOSE OF AGREEMENT

- 3.1 For the term of the Agreement, Tenant shall be qualified, authorized and herewith designated official in possession and control of all real property described as the barn and its associated pastures north of the stables road to Downs Road extended and known as Property. The Property will continue to be owned by the City during the term of this Agreement and any extension thereof.
- 3.2 Tenant shall operate, manage and maintain said Property and surrounding grounds in a fit and proper order, suitable for equestrian activities only. Any other uses of the Property contemplated by Tenant must receive prior written approval by the City Manager or his designee.
- 3.3 Tenant is an independent contractor, not an employee or agent of City and all persons employed by Tenant shall be his employees and shall not be employees of City.

Article 4
GENERAL PROVISIONS

- 4.1 The services called for herein shall be performed by Tenant as an independent contractor, and City shall not be liable for the manner of discharge of such services.

- 4.2 This Agreement shall not be transferred or assigned to any party, in any manner whatsoever, by Tenant without the prior written approval of the City Manager or his designee.
- 4.3 If any term or provision of this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this lease shall not be affected thereby and each other term and provision of this lease shall be valid and be enforced to the fullest extent permitted by law.
- 4.4 Tenant will clean and maintain the grounds, structures and fences. The mowing schedule will be coordinated with the City so that the grounds complement the surrounding park property.
- 4.5 Tenant shall confine all riding activities to the Property and designated riding trails; no riding is allowed on Tyrrell Park property except in the Property areas which are encompassed by the Agreement.
- 4.6 Tenant and his customers, clients and patrons shall drive and park only in designated areas; vehicles are only permitted on grass areas for the temporary transport of supplies and equipment.
- 4.7 Tenant shall be responsible for keeping Property free of any litter, trash or debris and shall adhere to all regulations governing its disposal.
- 4.8 Tenant agrees to conform to all policies, rules and regulations of the City, and all City ordinances, and State and Federal statutes.
- 4.9 Tenant shall promptly pay as it becomes due and payable, all indebtedness, obligation or other amounts owing or incurred by him under this Agreement. No liens of any kind may be affixed to Property.
- 4.10 Tenant shall be responsible for routine general maintenance of buildings and property, including plumbing, electrical and air conditioning systems. City is responsible for roof systems, exterior walls of the stables, monthly maintenance checks on HVAC equipment, and major equipment repairs on HVAC systems only. Damages caused by Tenant, Tenants guests or by Tenants negligence shall be the responsibility of Tenant. Should damages to the Property occur or the Property require general maintenance, which are the responsibility of the Tenant under this lease, Tenant must promptly repair such damages. Should Tenant fail to repair such damages, City shall upon ten (10) days' written notice

of such failure, may repair the damages and charge the cost of same to Tenant as additional rent.

Article 5
INDEMNITY AND INSURANCE

5.1 Indemnity

5.1.1 **THE CONTRACTOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY OF BEAUMONT AND ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ANY AND ALL CLAIMS, CAUSES OR ACTION, AND DAMAGES OF EVERY KIND, FOR INJURY TO OR DEATH OF ANY PERSON AND DAMAGES TO PROPERTY ARISING OUT OF OR IN CONNECTION WITH THE WORK DONE BY THE CONTRACTOR UNDER THIS CONTRACT, AND INCLUDING ACTS OR OMISSIONS OF THE CITY OF BEAUMONT OR ITS OFFICERS, AGENTS OR EMPLOYEES IN CONNECTION WITH SAID CONTRACT.**

Contractor waives all rights of recovery, and its insurers also waive all right of subrogation of damages against the City and its agents, officers, directors and employees for damages covered by the workers' compensation and employers liability or commercial umbrella or excess liability or business automobile coverage obtained by contractor required in this Agreement, where permitted by law. This waiver must be stated on the City's approved certificate of Insurance.

The fact that insurance is obtained by Contractor on behalf of City will not be deemed to release or diminish the liability of contractor, including, with limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by City from Contractor or any third party will not be limited by the amount of the required insurance coverage.

5.2 Insurance

5.2.1 Within ten (10) days of the execution of this Agreement and prior to commencement of any activities on the Property, Tenant shall furnish a completed Insurance Certificate to the Purchasing Manager as specified in RFP Number PF0415-15 Page 24.

- 5.2.2 In addition the Tenant shall provide personal property damage insurance for City owned building and contents on the leased premises in an amount sufficient to replace such contents after a casualty loss.

Article 6 TERMINATION

- 6.1 The Agreement may be terminated by either party after thirty (30) days' written notice. Any written notice to be given hereunder by either party to the other party shall be affected by certified mail, return receipt requested.

Article 7 IMPROVEMENTS TO PROPERTY

- 7.1 Improvements by Tenant
- 7.1.1 Tenant may make improvements to the Property. All improvements by Tenant must have the prior written approval of the City Manager or his designee.
- 7.1.2 All Improvements to Property must be in accordance with City, State and Federal laws, regulations and codes applicable to the construction, renovation and improvement of the structures and grounds. Due to the public nature of Property, State regulations set forth by the Texas Department of Licensing and Regulations applicable to Architectural Barriers must be followed. Prior to commencement of Improvements to public areas, approval of the plans and specifications must be received by the Texas Department of Licensing and Regulations and City departments.
- 7.1.3 Tenant is solely responsible for all payments, claims and costs associated with Improvements unless otherwise provided for in this Agreement or agreed to in writing by both parties.
- 7.2 Upon termination of this Agreement, or any extension thereof, all improvements to Property shall become the property of the City.
- 7.3 Should the Improvements or Property be damaged or destroyed by fire or other casualty, the decision to reconstruct the facility shall be solely that of the City Manager or his designee. If the City decides not to reconstruct the Property, this lease Agreement shall terminate. Should the Property, or any portion of such Property, be destroyed by an

insured event to such an extent that the business of the Tenant cannot continue and should the City decide to rebuild the destroyed portion of such Property such that the Tenant can continue in business, then, in that event, this lease shall be extended for a period of time equal to the period of time that the Tenant is not able to operate its business under this lease and the Tenant shall be relieved of rental payments during such time period.

Article 8
NOTICES

8.1 Any written notice to be given hereunder by either party to the other party shall be affected by certified mail, return receipt requested.

8.2 Notice to Tenant shall be sufficient if made or addressed to:

Tyrrell Park Stables, LLC
5595 Tyrrell Park Rd.
Beaumont, Texas, 77705

8.3 Notice to City shall be sufficient if made or addressed to:

City Manager
City of Beaumont
P. O. Box 3827
Beaumont, Texas 77704

8.4 This Agreement constitutes the entire Agreement between the parties and no changes, amendments or modifications hereof shall be valid or recognized unless in writing and signed by both parties.

8.5 This Agreement shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Agreement are performable in Jefferson County, Texas.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first mentioned above at Beaumont, Texas.

CITY OF BEAUMONT (LANDLORD):

TENANT:

Signature

Signature

Kyle Hayes, City Manager

Printed Name and Title

Printed Name and Title

Date

Date